# Modernization Blueprint ~ CommunityFeedback

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	6/1/99	Security and privacy issues are noted, but not addressed in detail herein. In my experiences with clients (most notably parents) there needs to be a great push for gaining confidence in this area, particularly with web dependent projects to fully implement all aspects of the Blueprint successfully.
	6/1/99	As I'm most interested in the plans for improving processes and relations with schools, I would like greater detail of "Julie's" experience in "Information at your Fingertips" within the Executive Summary (P.4)
	6/1/99	California Mentor and NYMentor are mentioned - My understanding is that there are other Mentor programs in other states that are up and running and I was curious as to why those weren't mentioned. Nevertheless, since all of the Mentor systems are new, not only mentioning what their goals are but what some of the early results have been might be encouraging (i.e. increase in minority applications, comments from students, etc.) Likewise with Colorado PEPPER.
	6/1/99	The Executive Summary has an enthusiastic, positive yet constructive tone. I'd like to see mention of any difficulties experienced by some of the new programs/models presented - Access America, Mentor, PEPPER, channel management, etc have faced and the plan to meet these known challenges might be addressed.(Noting that brevity is important in theSummary).
	6/1/99	Was there a way I could have answered all of these Exec Summary questions without having to submit them individually? It would also help if I could view the questions on the same page, while I was responding to them. Thanks for your committment to change - this is a respectable endeavor and we all look forward to the inevitable benefits.
	6/1/99	While one goal is to contain costs of providing financial assistance, there may need to be additional dollar amounts included in the executive summary. While there is mention that certain practices will be long-term cost saving, there's not enough information to ascertain the extent to which taxpayer dollars may be saved.
	6/1/99	it just keeping getting better
	6/23/99	Liked BP, easy to read, well organized, Process Flow diagram on IV-17 is great. Liked links. Blueprint should have a more detailed Table of contents for the whole document.
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Financial Institution

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IV-197 System Capabilities, Requirement Number 2000-2522 – The Blueprint includes references to automatic payroll deduction and shows information flowing to (but not from) the Federal Employee Payroll System. It is unclear if this is for debit of student loan payments from earnings or to facilitate collection of unpaid loans from federal employees through wage garnishment. Further, the documentation is not clear as to whether this information is available to FFELP loan holders, especially guarantors collecting on defaulted FFELP loans.

V-43 799 On The Web – NCHELP supports the elimination of manual processes as long as ED works with the subject matter experts to develop a method/process that simplifies what is currently being performed. ED should discuss with loan holders and servicers whether web, FTP, or other electronic means best meets their needs.

V-43 Reengineer Aggregate Formulas and Calculations – ED should work closely with guarantors, lenders, and servicers to reach consensus before changing annual and aggregate borrowing calculations/formulas. All of the listed parties have these edits programmed into their systems.

V-44 Financial Institution Services Architecture Changes – The FFELP tombstone does not contain the clarification of "Transformed" as reflected in the school services section.

V-45 Direct Report from Lender to NSLDS – This section of the Blueprint does not take into consideration the existing inter-relationships between FFELP participants. Further, the text should reference guarantors, servicers and loan holders. In addition, the Blueprint should clearly outline what information is included in this item.

V-46 Financial Management – No reference is made to the current Forms 2000 project. At the request of the Financial Management department of ED, guarantors have been working with ED for more than a year to develop a new form (Forms 2000) to replace the existing 1189 and 1130 reports. NCHELP strongly recommends that this work continue and that efforts to change the existing reports be curtailed. The decision to stop work on Forms 2000 was ED's decision made in July 1999.

V-41 Initiate Performance Indicators for Voluntary Flexibility Agreements with Guaranty Agencies – The word "Flexibility" should be replaced with "Flexible". In addition, in the "Impact..." section, the phrase "streamline financial payment process to guaranty agencies" is misplace; it has nothing to do with VFAs. Rather, it should be a separate project with Forms 2000 development listed in the Impact section.

The Blueprint notes that "Interfaces" will provide a common face to students, schools, and financial institutions regardless of the means they use to interact. While this would seem to be desirable, most people question how this can be done and still achieve many of the modernization goals that are being purposed. Further explanation is needed to make this believable.

V-27 Demographic Feed from CPS to FAFSA – There is insufficient detail to determine if changes by the NSLDS would actually improve the process. We believe that ED should work with its financial partners to develop a project to work through this process.

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V-53 Common Origination and Disbursement process – The Blueprint indicates that all origination and disbursement activities will be performed by ED (SAM). While that scenario holds true for FDLP, the Blueprint should indicate that lenders and guarantors will continue to perform this function for FFELP.

V-41 All Enrolled Data – See comments on V-14. In addition, having the FDLP servicer report to the NSLC could reduce FDLP technical defaults; however, it does not accomplish an All-Enrolled Database. An All-Enrolled Database could only be accomplished if every college reports to a single source. Therefore, the project description should be "Reduce FDLP technical defaults".

V-34 Consolidated Customer Call Center – ED should clarify that this provision pertains only the FDLP consolidation program. ED is not the appropriate contact for all school questions and complaints.

V-28 School Services – ED should define "community" in this context.

V-37 Financial Institution Services; 2 nd paragraph – ED states that the current set of processes and applications will be transformed "...into a common, integrated set of processes...for all financial programs". If this text refers to ED systems only, then it should be clearly stated. As it currently reads, the language implies that ED is creating a single database.

V-27 Assist Loan Servicers with Portfolio Management – What does this mean, how will ED assist, and who constitutes "loan servicers"? Further, what tools and data will be provided and what is the expected action?

V-27 Analyze and Initiate Online Exit Counseling – The Project description states "Analyze and Initiate Online Exit Counseling" while the "Impact..." section states that ED is planning to inform the student of the implication of taking out Federal Student Loans – that is, the "implication" information would be provided before a student borrows funds. Also, in "Impact...", ED again states that this process will be provided through a single system which clearly does not support the concept of a virtual database.

V-27 Improve Aid Overpayment Function – ED should permit its financial partners to load aid records to NSLDS and establish a process with the Social Security Administration to verify and resolve student identifier conflicts.

V-26 FFELP Tombstone – ED should clarify what is meant by the term "transformed".

IV-163 Need Based Planning, Item 07 – The word "Endures" should be "Ensures".

IV-166 Contract Management – It is unclear as to the process for transitioning from old contracts or eliminating/terminating existing contractors for poor performance.

V-34 Improve SSCR Data Flow to Servicers – OSFA and its partners (including but not limited to the NSLC, guarantors, lenders, and servicers) should work collaboratively to improve the flow of SSCR data to all parties that need the data.

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V-34 Improve "Notional" Default Rate System – The word "National" is misspelled in the current text.

- 4/30/99 CBA believes strongly that a Blueprint for modernization appropriately deliniating the roles of government, institutions, and financial participants in the Title IV program should guide all work at ED on Modernization. In this regard, CBA believes the following are essential steps for assuring the development of a Blueprint that will be supported broadly within the FFEL lender community. 1. Federal acquisition and maintenance of student loan data should be clearly defined and limited What is Federal data and what is servicer/guarantor/lender data should be clearly defined by the PBO for the Blueprint for Modernization and for future phases of Access America and other pilot projects. Federal data for the purposes of the Federal Family Education Loan Program should be limited to disbursement level data, such as the date and the amount
- 4/30/99 CBA believes strongly that a Blueprint for modernization appropriately deliniating the roles of government, institutions, and financial participants in the Title IV program should guide all work at ED on Modernization. In this regard, CBA believes the following are essential steps for assuring the development of a Blueprint that will be supported broadly within the FFEL lender community. 3) Financial Transactions involved in the FFEL program should be supported by the Student Account Manager (SAM), but financial transactions should continue to be exclusively provided in FFEL by lenders, guaranty agencies, and servicers. The SAM, both as developed for the Access America pilot project and to the extent incorporated into the Blueprint for Modernization, should be designed to facilitate data exchanges between students, the Department of Education, and others involved in the Title IV programs. The SAM should not include state scholarship data, enrollment data, or any other data not specifically necessary for the administration of the Title IV programs.
- 4/30/99 CBA believes strongly that a Blueprint for modernization appropriately deliniating the roles of government, institutions, and financial participants in the Title IV program should guide all work at ED on Modernization. In this regard, CBA believes the following are essential steps for assuring the development of a Blueprint that will be supported broadly within the FFEL lender community. 2) Fee-for-service authority supporting the use of the services of Mutual Benefit Corporations and similar organizations should be fully utilized. The Higher Education Act provided the PBO with authority to enter into fee-for-service arrangements to acquire services in support of a modernized Title IV delivery system. The PBO should use such authority to acquire these services such as those offered by the National Student Loan Clearinghouse. These services should be used by ED, both in Access America and in the implementation of the Blueprint for modernization.
- 5/28/99 Folks from the National Student Loan Clearinghouse report they are encouraged by recent meetings with you. They point out that in implementing the Modernization Blueprint you have a path for contracting with the Clearinghouse to provide the "all-enrolled database." Wyoming Student Loan Corporation supports this idea. Therefore, to use the Clearinghouse as the "all-enrolled database" is an effort we would certainly applaud.
- 6/3/99 Noted that Mr. Woods cover leter of May 31st, for the five chapters of the modernization plan as revised from the first draft, stated in the first bullet that one could "View and download the Modernization Blueprint in its entirety or by chapters." Yep, you can view or download by chapters, but I may be missing the hyperlink that allows for an Adobe view or download of the entire document. Just curious.
- 6/7/99 The National Student Loan Clearinghouse enthusiastically support the Blueprint and its aggressive plan of action. The specificity of the Plan demonstrates that a lot of thought has gone into the Plan and that augers well for successful implementation.

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6/18/99 Move away from terminology that implies the creation of a "centralized" database

- 1. Page 2, Middle Column, Last Full Paragraph: Describes an Electronic Student Account that could provide centralized processing for student aid disbursement, loan origination and repayment.
- 2. Page 3, Right Column, Last Full Paragraph: Describes a centralized
- process for obtaining signatures on loan promissory notes.
- 3. Page 4, Left Column, Last Paragraph: Describes a centralized process for storing and administering student account information such as enrollment, disbursement and repayment transactions.
- 4. Page 5, Left Column, Second Paragraph: Describes a centralized processes for origination and disbursement, loan portfolio status, deferment processing and financial transaction processing.
- 5. Page 5, Left Column, Last Paragraph: Describes a single, shared source of data about institution's loan portfolios.
- 6. Page III-7, First Bullet: Describes a centralized student account that will track enrollment, disbursement and repayment transaction information. This would consolidate information across lenders into a centralized account.
- 7. Page III-8, First Bullet: Implies a single "origination and disbursement process."
- 8. Page III-12, First Bullet: Describes a centralization of the relationships with lenders, schools and OSFA under one student master account, "providing a single point of contact for students to interact with education service providers."
- 9. Page III-16, First Full Paragraph: Describes a centralized process for "authorization of disbursements."
- 10. Page III-16, Second Paragraph: Describes a centralized process which "offers counseling to and collects money from borrowers who have entered repayment, provides invoices, processes loan consolidation requests, and attempts collection on defaulted loans."
- 11. Page III-29, Second Paragraph: States that "OSFA will serve as a central administrator for the student's aid application needs, performing a range of duties, from holding student authorizations for access to classified information to generating promissory notes from a lender of the student's choice."
- 12. Page III-31, Second Paragraph: Describes a centralized application process which would include maintenance of multi-year promissory notes.
- 13. Page III-32, Tenth Paragraph: Describes a centralized application process that would include management of applications received, and maintenance of information such as borrower authorizations to endorse financial aid applications and multi-year promissory notes.
- 14. Page III-33, Business Requirement ID's 1720-1742: Describes a centralized process for the management of Federal Family Education Loan Program (FFELP) loan applications and promissory notes.
- 15. Page III-37, First Paragraph: Describes a common origination record for FFELP loans which would receive an acceptance decision from a lender and forward it to the school.
- 16. Page III-37, Third Paragraph: Describes a centralized process for
- receiving, storing and distributing borrower authorizations.
- 17. Page III-37, Last Paragraph: Describes a centralized process for obtaining enrollment data from schools and forwarding such data onto lenders and guaranty agencies.
- 18. Page III-38, First Four Paragraphs: Describes a common origination record for FFELP loans which would receive an acceptance decision from a lender and forward it to the school. Also describes a centralized process for disbursements, adjustments and cancellations.
- 19. Page III-39, Tenth Paragraph: Describes a centralized process for receiving, storing and distributing borrower authorizations.
- 20. Page III-41. Business Requirement ID's 1224-1600: Describes a centralized process for managing lender

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disbursement information which would include receiving disbursement records, origination records, adjustments and cancellations, and providing disbursement rosters to schools.

- 21. Page III-57, Business Requirement ID's 2240-AR-07.03: Describes a centralized process for management of consolidation loan information, including providing lists of authorized loan holders, receipt of loan consolidation requests, determining which loans are eligible for consolidation, and notifying loan holders of acceptance or rejection of submitted consolidation requests.
- 22. Page III-82, First Paragraph: Describes an additional lender participation requirement -- "sets lender participation levels for loan programs based on financial metrics such as reserve ratios, capitalization and other loan program commitments."
- 23. Page III-84, Second Paragraph: Describes an additional lender participation requirement -- "sets lender participation levels in the FFELP program based on lender performance as determined through internal and external program reviews, audits and other forms of performance monitoring conducted by ED."
- 24. Page III-85, Eighth Paragraph: Describes an additional lender participation requirement -- "sets lender participation levels in the FFELP program based on lender performance as determined through internal and external program reviews, audits and other forms of performance monitoring conducted by ED."
- 25. Page IV-4, First paragraph: Describes a centralized process for maintenance of participant signature authorizations, multi-year promissory notes, and waivers to release information.
- 26. Page IV-13, First Paragraph: Describes a centralized process for "student-level origination and disbursement records."
- 27. Page IV-76, ABB#13: Identifies centralized "FFEL Disbursement Information Management."
  28. Page V-29, First Paragraph: Describes an Access America pilot that will centralize a loan origination subsystem providing origination data that will enable the Student Account Manager to perform disbursements.
- 7/1/99 Two things of concern: Students relying on the Student Account Manager as the "single point of contact for information, statements, and customer service concerning their Federal student financial assistance funds". Second, the goal of having the SAM "deliver Federal student financial assistance funds to the education institution at which the student is enrolled." The SAM is only on potential mechanism for providing valuable information to students. The FFELP participants already provide a great deal of information to student borrowers in a timely fashion. Further, the SAM should not be the means by which the Department provides any funds. The task of collection information is a difficult task. The Department has been attempting to collect a great deal of information in the NSLDS, and is itseld aware of the difficulty of collecting the information. Dispersing funds as well is simply too large a step at this time. Put simply, the Modernization Blueprint and Access America must first focus on controlling the data in ED's systems. We understand that the SAM is a pilot and is a devloping concept. Therefore, it would be important that EFC and other loan providers continue as key constituents in the Department's on-going development initiatives. Thank you.
- 7/1/99 The Education Finance Council (EFC) supports efforts to use technology to simplify the delivery system and to provide susdents with greater access to loan abd other financial aid data. We also support the intended purpose of the technology investments to reduce governmental costs. We believe the Student Account manager (SAM) should focus on providing access to data and should not serve to be a central mechanism for loan processing or fund distribution. Loan providers have systems that directly interface with institutions and in many cases offer Internet-based student access. These mechanisms should continue to serve as the primary interface with students and campuses.

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- 7/21/99 Page III-15. The text implies that ED will service repayment loans as well as take on the task of counseling them on repayment options. Also, the text implies that the major decisions have been made on how these tasks will be performed. Again, how the development of business rules and standards fits in is unclear.
- 7/21/99 Page IV-25 and elsewhere. The text references "Aid Organizations." What are "Aid Organizations?"
- 7/21/99 Page III-19. The text implies a much-expanded role for ED is setting lender eligibility by noting "Program Eligibility then sets lender participation levels for loan programs based on financial metrics such as reserve ratios, capitalization and other loan program commitments. The lender participation levels may be revised over the course of the lender relationship with OSFA." CBA questions this new function for OSFA, which may be described as a dramatic new layer of regulation. Given ED's role as the direct competitor of FFEL through the Direct Loan program, its ability to objectively carry out this function is highly questionable.
- 7/21/99 Page III-39. The process description clearly implies that OSFA will administer a large federal system that would include the assumption of many functions currently performed by lenders, guarantors, and third-party servicers in FFEL. The text on page III-39 and in the detailed descriptions that follow need to be substantially modified to clarify that ED does not propose performing servicing and other essential functions on FFEL loans.
- 7/21/99 Page IV-89. In requirement 1230, the text notes, "SFA uses a common integrated origination, payment, and reconciliation process for all Title IV student financial assistance programs between schools and aid organizations." This text implies OSFA will originate FFEL loans as well as perform other functions on them. The text should be modified to reflect that OSFA will not perform these functions on FFEL loans.
- 7/21/99 Page III-23. The discussion of IT Management should include a discussion of the use of fee-for-service arrangements, such as OSFA's planned use of the National Student Loan Clearinghouse for the all-enrolled database.
- 7/21/99 Page III-24. The discussion of contract and acquisition management should include a discussion of the use of fee-for-service arrangements.
- 7/21/99 Page III-27. Dramatically increased involvement of OSFA in aid awareness represents yet another new activity for OSFA. Given the very significant work underway in the private sector, OSFA should consider reducing its planned role in this function. OSFA's primary concentration should be on systems re-engineering, not on expanding its role in the program.
- 7/21/99 Page III-32. This section implies that OSFA will handle all aspects of aid application, including generating promissory notes from a lender of the student's choice. This section should be substantially revised to indicate that the process described applies to Direct Loans, Pell Grants and the FAFSA. The section should note that in FFEL, only data on disbursement will be provided to OSFA. Origination process status should not be included in the Blueprint because this function should be performed by the private sector. OSFA may have links to lender information on this, but this would be the extent of their involvement.
- 7/21/99 Page III-35. The text indicates that OSFA will seek changes to the law and regulations relating to the design and distribution of application forms. Business requirement AA-01.01 notes that "Design and Distribution of Application Forms supports the creation of a core design team, including members of the education community and the Department of Education."

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·	7/21/99	Page III-75. Subprocess Name OD-01 and OD-16 imply that OSFA will perform key functions in the origination process for FFEL loans currently performed by lenders and servicers. The text should be clarified to indicate OSFA will not perform these services on FFEL loans.
	7/21/99	Page III-87. As noted above, the text implies a new function consisting of setting lender participation levels. CBA does not support OSFA assuming this new, major program function. As the primary competitor of FFEL lenders, OSFA is ill-positioned to objectively perform this unnecessary function.
	7/21/99	Page III-144. The text should be modified to reference how standards are to be developed. A reference to standard setting organizations, such as NACHA should be added to the text.
	7/21/99	Page III-138. Business requirement HR-02.05. The text references "contingency pay." The definition of "contingency pay" is unclear.
	7/21/99	Page III-47. Business requirement AR-03 again suggests the Federal government will assume responsibility for a major FFEL servicing responsibility. The language needs to be corrected.
	7/21/99	Page III-147. Business Requirement ID IT-01.09. The text should be modified to clearly reflect that the costs analyzed will include the costs associated with the introduction of new standards and technology will include analysis of the costs borne by schools and ED's financial partners in FFEL.
	7/21/99	Page III-150. Business Requirement IT-08. The text does not adequately reflect the intent of Congress that OSFA should support the development of industry standards. As written, the text could be read as de-emphasizing this statutory requirement.
	7/21/99	Page IV-95. The chart should clarify that ED will not perform the same functions on FFEL and Direct Loans.
	7/21/99	Page IV-141. The text notes, "ED/Partner Relationships not conducive to providing the best possible Customer service." CBA would be interested in knowing how OSFA reached this conclusion.
	7/21/99	Page IV-18 and IV-21. Process Flow 28 may assume a larger function in loan consolidation than is appropriate. The process flow could be read as reflecting an assumed very active promotion of ICR. This function has major policy ramifications and should not be included. Please note that if the process flow is read as simply reflecting services relating to Direct Consolidation loans after the borrower has chosen this option, the reference is not a problem.
	7/21/99	Page III-12. The text notes, "OSFA Student Services handles all interactions with students, providing them with convenient access to aid application information, forms, and account data." This text appears to reflect a very significant expansion of functions by OSFA inconsistent with representations made earlier by OSFA that the virtual student account would be accomplished through data switches reflecting common business
	7/21/99	Page III-8. The text states that "OSFA and its financial partners will take advantage of commercially available systems and services to 'Create a simple origination and disbursement process." This implies OSFA will orchestrate or administer this function. CBA believes strongly that the only role for OSFA in the FFEL program should be encouraging the development of common business rules and standards.

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CommunityID	DateReceived 7/21/99	Comment  Page III-11. The second bullet notes, "Services provided to schools and financial institutions indirectly benefit students." OSFA should recognize that services provided by schools and financial institutions directly benefit students. This language should be changed. All parties should be focused on the customer, the student. All must work together to achieve the goal of improved services. Financial institutions and schools are an essential part of a system of which OSFA is only a part.
	7/21/99	Page IV-32 and page IV-39. The involvement of the Department of Agriculture and the Department of Interior is unclear. Why are they on these charts?
	7/21/99	Page IV-33. The process flow includes "Treasury interest rates approval for portfolio sale." What does this
	7/21/99	Page III-53. Business requirement 2180 states that OSFA will manage FFELP loan consolidation. The requirement should be modified to eliminate reference to FFELP consolidation.
	7/21/99	Page III-11. The fourth bullet notes, "OSFA will measure its performance against three primary objectives: increasing customer satisfaction, increasing employee satisfaction, and reducing the overall cost of student financial assistance." While these are described as the "primary" measurements, it is worth noting that two of the three do not necessarily contribute to customer satisfaction and may work against it. We would suggest that OSFA have a single performance standard: Increasing customer satisfaction while increasing employee and partner satisfaction and reducing the cost of the student assistance programs.
	7/21/99	Page IV-76. As noted above, the text implies ED involvement in FFEL loan repayment servicing. ABB # 17 through 22 should reflect the differences between functions in FFEL and FDSL.
	7/21/99	Page III-97. Business requirement FI-06.01. The word "ration" should be "ratio" in the second bullet.
	7/21/99	Page IV-49 and IV-51. As noted above, CBA does not support these new program functions relating to the determination of lender eligibility and suggests, strongly, they be deleted from the Blueprint.
	7/21/99	Page V-9. The heading "Aid Origination and Disbursement" references "Major Rebuild to Current Origination and Disbursement System." The text should be modified to reference the FDSL origination and disbursement
	7/22/99	V- 10 Financial Management 2000-2001 - We concur with the concept of allowing web submittal of information for processing the interest and special allowance form.
	7/22/99	V-6 Applications - Again, it is unclear as to what processes ED is proposing to provide, particularly as it relates to the FFELP.
	7/22/99	V-6 Applications - ED should work to reduce redundancy of data whenever possible.
	7/22/99	V-6 Interfaces - We concur that we must have the same set of services for our customers, regardless of how delivered.
	7/22/99	V-6 Interfaces- When the Blueprint refers to common services for all financial aid programs, it is unclear as to the extent of these "common services".
	7/22/99	IV-138 - ED/Partner Relationship Issues - The Blueprint fails to recognize that by ED including their partners (lenders, guarantors, secondary markets, and services), along with their best practices, in the design and delivery of the new system, relationships will be strengthened and customer service will be heightened.

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·	7/22/99	V-6 Data Integration - It is unclear as to whether ED intends to actively access partner systems or transfer data to a central data warehouse. Without more detail, it is difficult to assess whether this can be accomplished by next year, particularly because it involves such a large and diversified community.
	7/22/99	V-6 Data Integration - ED should not attempt to create yet another national database. Rather, the data should be distributed and must be up-to-date.
	7/22/99	V-8 - ED should add "Web page interface for Form 2000" to the 1999/2000 academic year.
	7/22/99	V-8 Item. 8 - As stated previously, the National Student Loan Clearinghouse (NSLC) has already established an all enrolled database that contains information on 75% of the students enrolled in the US.
	7/22/99	IV-136 - There are references to information presented in color that most readers are not going to be viewing/reviewing in color.
	7/22/99	V-9 Aid Awareness 2000-2001 - ED should add language to encourage savings.
	7/22/99	V-10 Financial Transactions Row, 1999-2000 Column - If the plan is to create a "single face" for customers, schools should be able to request a similar just-in-time disbursement for FFELP. The processing differences (including systems) could be behind the scenes. As such, we recommend that FFELP be added.
	7/22/99	V-11 Financial Management Row, 1999-2000 Column - (see response to V-10)
	7/22/99	V-12 Task labeled "Direct Loan Exit Counseling Material" - Similar to V-10, if the plan is to create a "single face" for customers, then borrowers should be able to have repayment counseling over the Internet, regardless of whether they have an FDLP or FFELP loan. The processing differences (including systems) could be behind the scenes. We recommend adding FFELP.
	7/22/99	V-12 - Given that we are already into this time frame, ED should include an update as to the status of this phase. V-13 Item #14 (see response to V-12)
	7/22/99	V-13 Online Help Wizard - Again, it is unclear who is in the driver's seat here, the Department or the school. The school should be the first call.
	7/22/99	V- 9 Aid Application1999-2000 - It is unclear as to who will be in control here, ED or the school. We believe that the school should remain the most important contact in the process.
	7/22/99	III- 96 (FI-06-3882) - The Blueprint should define the methodological alternatives for determining "life-long" default rates and who would conduct such a longitudinal exercise.
	7/22/99	III-122 General Ledger Management (FS-02-5320) - The Blueprint states "Tracks debits and credits on the GA and lender level for FFELP". This process should not include any activity that is not included on the flow diagram on page III-99
	7/22/99	III-113 Performance Management - Financial Management - According to the Blueprint, "This function contains all of the activities that OSFA must perform to fulfill this vision. Included in the financial management function are the traditional accounting activities necessary to manage the flow of funds between OSFA, schools, financial institutions and other governmental agencies". Based on that statement, we are unclear as to how this fits with the Student Account Manager. Again, we state the same concern that for FFELP, the interface must be for data only and not dollars for most activities (other than when OSFA is reimbursing the guarantor

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	7/22/99	III-102 Manage LEAPP Application and Authorization (FI-11 & Fi-12) - There is a business requirement listed under both FI-11 (1587) and FI-12 (1587). The same activity should not be listed under more than one function in order to eliminate redundancy.
	7/22/99	III-101 Make Payments to Lenders (FI-10) - The language says "make payments to lenders". We believe it should read "make payments to guarantors".
	7/22/99	III-99 Financial Institution Services - Financial Transactions - According to the Blueprint, "Financial transactions manages the flow of funds between financial institutions and OSFA." ED should ensure that the scope of this requirement stays within the processes noted on page III-99.
	7/22/99	III-98 (FI-08.03) - The Blueprint mentions limitation on participation or discontinuance of participation and for the first time includes guarantors and servicers along with lenders (see FI-02); however, secondary markets are not listed. In addition, similar requirements should be established for OSFA performance failures.
	7/22/99	IV-14 - Student Services is described as providing services including awareness of financial aid, easy access to user-friendly application forms and efficient repayment processes. Rather than replicating existing materials by building one mega-information store, ED should strongly consider providing electronic links to FFELP trading partners who have highly developed and user-friendly web sites devoted to guiding students through the financial aid process. Examples of highly rated counseling options include the FFELP initiative called "Mapping Your Future". This web site includes a vast amount of user-friendly financial aid and student loan information. With regards to repayment counseling, it is important that ED choose a strategy that provides students with links to individual lender web sites. Repayment options and cost saving programs vary widely among industry lenders. Failure to provide students with all of their options, or including only FDLP options, is not in the best interest of our ultimate customers, the students. Additionally, an approach to link to other trading partners capitalizes on already developed systems, thereby decreasing overall costs to
	7/22/99	III-98 Take Action on Performance (FI-08) - No mention is made of the appeal process for lenders who have lost eligibility to participate. The Blueprint mentions that lenders can appeal audit and program review findings, but not discontinuance of eligibility. We assume this does not negate lenders' due process as provided for in statute and regulation.
	7/22/99	III-97 (FI-06.01) - The guarantor portion should read "data match quality" rather than "data quality match". Also, the statement regarding performance indicators being limited to "size of fund balance, reserve ratio and data quality match" require further specificity (e.g., which fund, Operating Fund? Reserve Fund? etc.). In addition, the Department should consult with guarantors regarding other legitimate measures of quality, including qualitative assessments of customer satisfaction, that should be considered in such performance
	7/22/99	IV-136 Paragraphs 3 and 4 - The Blueprint discusses employing expensive leading edge technology with targeted business areas because ED cannot charge aid applicants. There seems to be an implication that the targeted business areas will bear at least some of those costs. The reference to negotiating individual agreements with banks for access to NSLDS or other specific systems raises this same question. Further, it is not clear what the basis or authority is for ED to gather and coordinate any information related to private aid
	7/22/99	V-13 Single Student Account - We are uncertain from the Blueprint as to how this information would be collected. We reiterate that the data should be distributed data and that schools should not be removed from

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	7/22/99	IV-50 Financial Institution Services Program Eligibility module - This section contains a step labeled "Set Lender Participation Levels F!-02 (New)," a concept for which the meaning and implications are not defined.
	7/22/99	III-96 Monitor Financial Institution Performance (FI-06) - As stated several times, we do not believe that Access America is the appropriate vehicle to "monitor performance".
	7/22/99	III-95 (FI-05.04-3700) - This section names secondary markets for the first time implying that secondary markets are financial institutions from which performance data will be obtained.
	7/22/99	III-95 (FI-05.04) - The Blueprint requires greater elaboration for the same reason as cited directly above. That is, ED should provide examples of "other performance data as required for analysis and performance
	7/22/99	III-95 (FI-05.03) - We believe that this data is already being addressed and captured in the new Forms 2000 initiative.
	7/22/99	III-95 Maintain Financial Institution Performance Data (FI-05) - The Blueprint should clarify the guarantor's important role in performing lender reviews and audits. In order for this information to be shared electronically, the criteria and format should be well defined for consistency.
	7/22/99	IV-91 Aid Origination and Disbursement System - This section contains a subsystem for Managing Lenders Disbursement Information and other requirements that state or imply responsibility for functions now handled by FFELP participants directly [see IV-90 1380].
	7/22/99	IV-110 - This section indicates that a common data environment will provide all business channels the same core data, and eliminates redundant data to the maximum extent possible. While integration and coordination of the multiple SFA databases is needed, for the initiative to incorporate more FFELP data than the minimum essential, is creating redundant data, not eliminating it.
	7/22/99	IV-114 - One of the tenets of the Blueprint is the concept of a Student Master Account, providing a single point of contact. The Student Account Manager should serve as the initial point of contact, but not the only one. ED should not be the repository of all FFELP data, but of limited FFELP data. The borrower should be able to use the SAM to link to other FFELP sites that provide definitive up-to-date FFELP information on their
	7/22/99	III-129 Cost Management (FS-06-5070.01) - We are unclear as to the meaning of the statement "calculates any costs incurred by schools, lenders, and guarantors for which OSFA will be reimbursed through a charge-back process". The Blueprint should
	7/22/99	IV-115, 117, and 119 - We are concerned with the information contained in this section in that past experience has indicated that ED does not always fully consider the needs of those who are interested in the information in the document when the form contains graphics that are illegible in a printed copy of the
	7/22/99	III-97 Monitor Financial Institution Performance (FI-06.01) 3 This section lists performance indicators; however, default rates are not named even though default rates are provided under the business requirement definitions for (FI-06-3830 to 3882). This implies that default rates are considered a performance indicator.
	7/22/99	Page III-76, Business Requirement ID's 1220, 1224, 1230, 1240, 1270, 1350, 1446 and 1460: Describe a centralized process for managing lender disbursement information which would include receiving disbursement records, origination records, adjustments and cancellations, and providing disbursement rosters

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	7/22/99	Page III-35, Manage Application AA-02, AA-02.01, 1711, 1712, 1713, 1714, 1715 and 1742: Describes centralized management of the loan application and promissory note functions. OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page III-36, Business Requirement ID's 1720, 1711, 1712, 1713, 1714, 1715 and 1742: Describes a centralized process for the management of Federal Family Education Loan Program (FFELP) loan applications and promissory notes.
	7/22/99	Page III-39, First Paragraph: Describes a centralized process for collecting money from borrowers and advising borrowers regarding various repayment options.
	7/22/99	Page III-43, Select Repayment Option AR-02: OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page III-43, Track Borrower AR-09: Describes a centralized skip tracing process.
	7/22/99	Page III-45, Select Repayment Option AR-02, 2000, 2002, 2010, 2060, 2070, 2110, 2114, 2130, 2150 and 2180: OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page III-49, Track Borrower AR-09, 2340 and 2350: OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page III-53, Manage Consolidation Loan Information AR-07: Describes a centralized consolidation loan
	7/22/99	Page III-74, First Paragraph: Describes a centralized process for origination and disbursement. Also, describes a centralized process for receiving, storing and distributing borrower authorizations.
	7/22/99	Page III-74, First Paragraph: Describes a centralized process for obtaining enrollment data from schools and forwarding such data onto lenders and guaranty agencies.
	7/22/99	Page III-74, Second Paragraph: Describes a centralized process for editing and authorizing disbursements.
	7/22/99	Page III-75, Edit Common Origination Record OD-01: Describes a common origination record for FFELP loans which would receive an acceptance decision from a lender and forward it to the school.
	7/22/99	Page III-75, Edit Common Disbursement Record OD-02: Describes a centralized process for receiving, storing and distributing borrower authorizations.
	7/22/99	V-13 Item #1 - The example provided, suggesting consolidation for students with multiple lenders, may not be the best course of action for all borrowers. That is, consolidation may not be the best alternative. For example, the student may have multiple lenders only because a subsequent loan has not yet been sold. We recommend eliminating the example.
	7/22/99	Page IV-89, Editing Common Origination Records, OD.106: Describes a centralized process for editing disbursement, origination, adjustment and cancellation records.
	7/22/99	Page III-90, Ninth Paragraph (FI-02): Describes additional lender participation requirements "sets lender participation levels in the FFELP program based on lender performance as determined through internal and external program reviews, audits and other forms of performance monitoring conducted by ED."

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	7/22/99	Page IV-5: Describes a centralized process for maintenance of participant signature authorizations, multi-year promissory notes, and waivers to release information.
	7/22/99	Page IV-13: Describes a centralized process for "student-level origination and disbursement records" and tracking of enrollment status.
	7/22/99	Page IV-16: Describes a centralized loan repayment and collection process from origination through default. OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page IV-77, ABB# 13: Identifies centralized "FFEL Disbursement Information Management."
	7/22/99	Page III-75, Manage Lender Disbursement Information OD-16: Describes centralized management of lender disbursement information.
	7/22/99	Page IV-80, Managing Aid Applications, AA.114, AA.115 and AA.116: Describes centralized management of the loan application and promissory note functions. OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page III-79, Manage Lender Disbursement Information OD-16, 1224, 1370, 1440, 1460 and 1600: Describes centralized management of lender disbursement information.
	7/22/99	Page IV-90, Authorizing Payments to Schools, OD.140: Describes a "common integrated origination, payment, and reconciliation process for all Title IV student financial assistance programs" OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page V-9, Aid Origination and Disbursement: Describes a major rebuild to current origination and disbursement system. OSFA should clarify that this is in reference to the FDLP systems only.
	7/22/99	Page V-9, Loan Repayment: Describes centralized electronic bill presentation and payment, and a major rebuild to current loan repayment system applications. OSFA should clarify that this is in reference to the
	7/22/99	Page V-32, First Paragraph: Describes an Access America pilot that will centralize a loan origination subsystem providing origination data that will enable the Student Account Manager to perform disbursements.
	7/22/99	Page III-87, First Paragraph: Describes additional lender participation requirements "sets lender participation levels for loan programs based on financial metrics such as reserve ratios, capitalization and other loan program commitments." Also permits OSFA to revise lender participation levels.
	7/22/99	Page III-32, Second Paragraph: States that "OSFA will serve as a central administrator"for the student's aid application needs, "performing a range of duties, from holding student authorizations for access to classified information to generating promissory notes from a lender of the student's choice."
	7/22/99	Page IV-77, ABB# 17, 18, 19 and 20: Describes centralized loan repayment functions. OSFA should clarify that it does not perform these servicing functions on FFELP loans.
	7/22/99	Page V-13 Personalized Student WEB page - We are uncertain how this relates to the Single Student Account, if at all.
	7/22/99	Page III-34, Third Paragraph (Obtain Eligibility Assessment Information AA-03): Describes a centralized process which includes performing credit checks on PLUS loans.

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	7/22/99	V-30 System Architecture Current Aid Origination and Disbursement - While many current processing scenarios include a link between the school and the guarantor, this chart does not reflect those linkages. We recommend that ED add a guarantor-to-school link.
	7/22/99	V-30 System Architecture Current Aid Origination and Disbursement - The student should be a key part of the process. Although the application process included the student, this process omits the student. ED should add the student and the applicable guarantor and lender linkages.
	7/22/99	V- 18 Single Student Account - Again, ED should ensure that the data is distributed. Questions should be addressed to whoever provided the data.
	7/22/99	V- 32 Access America - Based on the Blueprint, it appears that the just-in-time disbursement information is specific to Pell and Direct Loans, not FFELP.
	7/22/99	V-14 Item #17 - If the plan is to create a "single face" for customers, all consolidating lenders (whether FFEL or Direct Loan servicers) should have the ability to request payoff balances electronically. As described, the process simplifies the administration of the FDLP but not the FFELP. The Blueprint should include FFELP consolidations in this discussion.
	7/22/99	V-34 and V-35 Common Origination and Disbursement Database - The Blueprint indicates that all origination and disbursement activity will be performed by ED (SAM). While that scenario holds true for FDLP, the Blueprint should indicate that lenders and guarantors perform this function for FFELP.
	7/22/99	III-53 Manage Consolidation Loan Information (AR-07) - This appears to include both FDLP and FFELP loans. However, we are not clear as to how OSFA would obtain the specific lender information. We would suggest that OSFA simply provide only general information in conjunction with links to specific participating lenders.
	7/22/99	III-94 (FI-04.03) - This section refers to guarantors as ED's external partners that provide service delivery to financial institutions. In other sections, guarantors are grouped with financial institutions. The Blueprint should be consistent in its categorization of guarantors.
	7/22/99	V-13 Item 15 - The OSFA should concentrate on the establishment of the standards that are needed to support electronic billing. Once the standards are in place, all organizations could provide these services to the Title IV borrowers.
	7/22/99	V-13 Direct Loan Consolidation Certificate/ACH Payment - ED should ensure that this system works both ways. That is, if a FFELP participant is a reporting party, they should also be a receiving party.
	7/22/99	V-13 FAFSA Corrections on the WEB - We fully support this concept.
	7/22/99	V-13 Digital ID - We recommend that the Department clarify that all of ED's partners, including schools and guarantors, will have access and be able to use digital IDs.

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	7/22/99	V-16 System Architecture Current Aid Application Process - The chart depicts no connection between schools and lenders, schools and guarantors, students and guarantors, or guarantors and lenders (other than for defaulted loans). If the purpose of the chart is to merely represent the FAFSA and need analysis process, then lenders and guarantors may not need to be identified in the chart. However, because the chart indicates a link between students and lenders (labeled "Loan applications and corrections"), we believe it
	7/22/99	Page 5, Right Column, Last Paragraph: Describes a system for tracking and servicing borrowers throughout the life of a loan.
	7/22/99	V-13 All Enrolled Data - ED should continue its discussions with the NSLDS and Clearinghouse to provide a single source of data reporting.
	7/22/99	Page III-18, First Paragraph: Describes a centralized process for origination and disbursement, receiving and storing borrower authorizations, and tracking of enrollment status.
	7/22/99	Page III-15, Last Paragraph: Describes a centralized process which "offers counseling to and collects money from borrowers who have entered repayment, provides invoices, processes loan consolidation requests, and attempts collection on defaulted loans."
	7/22/99	Page III-12, First Bullet: Describes a consolidation of the relationships with lenders, schools and OSFA under one student master account, "providing a single point of contact for students to interact with education service providers." Also refers to OSFA handling "all interactions with students."
	7/22/99	Page III-8, First Bullet: Implies a single "origination and disbursement process."
	7/22/99	V-29 Future Aid Origination and Disbursement diagram - We are concerned that there is no specific mention of guarantors or lenders. The diagram implies that the OSFA will be performing all of the editing for all originations and disbursement records. We believe that for FFELP, this responsibility should continue to reside with the lenders and guarantors. OFSA will not have the data necessary to edit these records for
	7/22/99	Page 14, Right Column, Last Paragraph: Although OSFA has tried to alleviate concerns regarding a "very big database (VBD)," this paragraph still refers to OSFA having "multiple databases that can share information." There is no mention of sharing information with OSFA's partners still implies centralization with OSFA, although with multiple databases.
	7/22/99	Page III-34, Second Paragraph (Manage Application AA-02): Describes a centralized application process that would include management of applications received, and maintenance of information such as borrower authorizations to endorse financial aid applications and multi-year promissory notes.
	7/22/99	Page 5, Left Column, Last Paragraph: Describes a single, shared source of data about institution's loan
	7/22/99	Page 5, Left Column, Second Paragraph: Describes a centralized processes for origination and disbursement, loan portfolio status, deferment processing and financial transaction processing.
	7/22/99	3. Page 4, Left Column, Last Paragraph: Describes a centralized process for storing and administering student account information such as enrollment, disbursement and repayment transactions.
	7/22/99	Page 3, Right Column, Last Full Paragraph: Describes a centralized process for obtaining signatures on loan promissory notes.

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third-party evaluations.

similar tools for this group of partners as is provided for schools in order to perform self-audits.

7/22/99 III-13- Performance Management -This process should be ongoing with internal staffing as well as periodic

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- 7/22/99 III-13 There is no mention of the role guarantors play in providing training and performing program reviews.

  Development of performance and analysis methods should be developed in concert with ED's business partners who actually provide these services.
- 7/22/99 III-15 Aid Application An assumption would be that all aid, public and private, would be maintained requiring schools to be providing total access to award information or consistent updating of databases to reflect all
- 7/22/99 III-15 Loan Repayment It appears this provision includes FFELP, although we are not sure how this would be possible and/or desirable for FFELP. Further, there are no indications that other FFELP participants perform this function, such as lenders and guarantors. Also, it is unclear as to who will determine the criteria for the repayment options that best meet the borrowers circumstances, particularly when ED is not the holder of the promissory notes for those loans. We assume this discussion with regard to ED's role is applicable only to the FDLP, and as such, this section should be clarified in that regard. Statements like "Loan Repayment will choose how to deal with defaults" implies that ED is the only entity that performs this service or that will make the determinations as to the most successful practice. ED should recognize that guarantors have been performing these functions for 3 decades. In addition, it would appear that "wage garnishment and collection agencies" are the only methods that are being considered by ED without any examination of "best practices." We are concerned that this paragraph at least implies that ED is seeking to assume responsibility for services currently provided by the private sector rather than ED focusing on improving the services ED currently provides.
- 7/22/99 III-17 The Program Eligibility section states that a school's eligibility may be deactivated by OSFA, but fails to mention that a significant number of Limitation, Suspension and Termination actions are initiated and enforced by the guarantors. Also, schools must meet state education departments requirements for accreditation and quality of education, and can be subject to action from the state. ED should work with both these entities in
- 7/22/99 III-8 In response to the first bullet, FFELP participants already have "simple origination and disbursement processes" (one stop shopping). As such, we would suggest revising this bullet to state: "Create a standardized origination & disbursement process"
- 7/22/99 III-19 In the Program Eligibility discussion, ED should indicate that it will include lenders and guarantors as partners in determining program eligibility criteria. Guarantors currently perform a significant number of lender reviews and are subject matter experts in this area. As such, they should be actively involved in determining lender program eligibility criteria and key risk indicators.
- 7/22/99 III-7 The 3rd bullet raises an interesting issue for which we would like to review the supporting statistical data. Our impression has been that technical defaults have not been an issue since all schools have been required to report either to the NSLDS or the National Student Loan Clearinghouse. While the assertion that defaults will be substantially reduced will be easily quantifiable, it is unlikely to occur.
- 7/22/99 III-27 In the 6th line down, a statement is made that: "Execution involves input from schools and lenders" Noticeably absent is any discussion of guarantors and state education departments which have already been performing this function. Also, we noticed that students are not included in the planning stage even though they are the individuals that ED is trying to reach.
- 7/22/99 III-27 In the last line, guarantors and state education departments are omitted.

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	7/22/99	III-27 Student Services Aid Awareness Flow - Guarantors are not represented on this diagram. While subsequent pages to this diagram include guarantors, they need to be added to the overall flow the diagram represents. Guarantors should also be mentioned in the Flow Diagram Description as a partner along with the schools and lenders who will be distributing OSFA's message.
	7/22/99	III-29 Develop Awareness Programs (AW-02) - The section on "coordination with other initiatives" should include references to coordinating with the state agencies' existing programs.
	7/22/99	III-29 - We recommend the following revised text for this section:
		Flow Diagram Description The goal of the Aid Application Process is to efficiently collect information from potential students in an effort to rapidly determine their financial needs and notify them of their aid package choices."
	7/22/99	III-31 Provide Access to Financial Simulation Modeling (AW-04-1060) - Packaging strategies can be very complicated depending on particular private scholarship and grant program requirements. This option would be very limited and likely would provide only broad estimates of the major federal and state programs. Further, schools may not want to share their packaging strategies.
	7/22/99	III-33 - State agencies should be part of the Student Services - Aid Application flow diagram (linked to "Assess Participant Eligibility") to provide a means for determining state-based programs. Also, there should be an arrow linking "Design and Distribution of Applications/ Forms" back to the student to indicate the student receives the application. There should also be a link between the student and school to indicate that the student receives an application from the school and the student submits the application back to the school.
	7/22/99	III-35 Design and Distribution of Application Forms (AA-01.06) - Consistent timing of the approval process would be critical for appropriate implementation.
	7/22/99	III-35 Manage Application (AA-02) - The business requirement definition mentions borrower signatures on promissory notes, but lenders are not represented on the corresponding flow diagram on page III-33.
	7/22/99	III-35 AA-01.01 - Representatives from NCHELP and the Adhoc Standardization Committee, which is responsible for the development and maintenance of "common" FFELP forms, should be included on the core
	7/22/99	III-59-61 School Services - Program Eligibility Business Requirements - We are uncertain as to whether this business requirement is a replacement or an enhancement to PEPS or whether Access America is set up to monitor these types of activities.
	7/22/99	III-35 1090- Guarantors and state education departments should be included.
	7/22/99	III-18 - In the Aid Origination and Disbursement section, the Blueprint implies that ED will be assuming functions currently performed by guarantors, escrow agents, and lenders. This section should be rewritten to clearly delineate that the services being described are for the FDLP. Further, this section is not consistent with the "virtual system" approach. The existing paragraph should begin: "For FDLP loans", and a new paragraph should be added to indicate that non-FDLP data will be provided through linkages to ED's partners' systems.

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	7/22/99	While the enormity and complexity of what is described in Chapter IV make it difficult to assess the impact of the flows and IT architecture as they relate specifically to FFELP, the initiative appears to be all-encompassing, far beyond coordination and centralization of certain federal aid related data. Using technology and providing greater access to information for everyone need not usurp FFELP functions such as disbursement and repayment servicing which are currently handled very efficiently by FFELP participants. Funds disbursement should be limited to those programs that are federal monies (e.g., Pell and FDLP),
	7/22/99	With regard to the goal of the Student Account Manager (SAM) being a "single point of contact as well as delivering Federal student financial assistance to the educational institution in which the student is enrolled", for FFELP, the SAM is only one of several potential mechanisms for providing information to students, and it should not be the means by which OSFA provides FFELP funds. For FFELP, the SAM's purpose should be providing data rather than dollars.
	7/22/99	OSFA's stated purpose is to "provide customers, employees and partners easier access to information." ED wants to create a "single face" to their customers, and we concur with that goal. We are concerned, however, that this "virtual system" philosophy does not seem to be carried throughout the document. Rather, there are, for example, discussions of a single database.
	7/22/99	The FFELP program has historically been a partnership between schools, lenders, guarantors, secondary markets, servicers and the Department of Education with each entity having clear, distinct roles, the Blueprint seems to "muddy the waters" by not distinctly describing the role that each of these entities will fulfill going forward. Rather, the Blueprint implies in many cases, through omission, that the Department will fulfill all of
	7/22/99	The Student Account Manager (SAM) process should be more clearly defined to illustrate the role of lenders and guarantors. The goal of a "virtual" system should be to allow for trading partners to be linked into the SAM while retaining their current roles of application processing and origination. Schools' approval ratings of FFELP have continued to increase as program participants have collaboratively developed and implemented common processes and policies (example CommonLine and various Internet application programs). If ED were to replace these functions with a "one size fits all" approach, schools and students would lose the flexibility they have gained in the current environment. This would ultimately lead to decreased customer satisfaction from schools and students, which is clearly contradictory to ED's objectives.
	7/22/99	While the transition period is slated for the next three years, the Blueprint is unclear as to exactly which parts of the overall aid system will be transitioned from their current environments to the new interface and how students and ED's partners (schools, lenders, servicers, secondary markets, and guarantors) will know where to look for specific pieces of information at any given time. ED should ensure that anyone who might be accessing the new system is alerted that not ALL data may be reflected within that system.
	7/22/99	The Blueprint should include the contingency plan to be used if the new web site "crashes".
	7/22/99	The two-pronged approach for reducing delinquency: self-servicing through the Internet and improved debt management tools, could serve as an important compliment to the existing guarantor default aversion process.
	7/22/99	We assume if "middleware" is to be used, it will be capable of merging data from all sources (e.g., lenders, schools, students, guarantors, servicers, secondary markets, ED, etc.).
	7/22/99	ED should allow non-Title IV participants and private parties to have access to and share the data if the student gives permission.

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20	7/22/99	We are concerned that the Blueprint does not change the complexity of the federal aid programs mandated by statute and regulations.
	7/22/99	The Blueprint does not clearly outline how federal contractors and collection agencies fit into this web of
	7/22/99	There is an extreme lack of consistency as to the definition of "Financial Institution" causing confusion in a document which should be providing a clear definition of functions within OSFA. It appears that "Financial Institution" for the most part is the lender. However, according to page III-87, Financial Institutions include lenders and guarantors while no mention is made of servicers or secondary markets. On page III-90, the Discontinue Financial Institution Eligibility (FI-03) business requirement definition refers only to lenders, not guarantors, secondary markets, or servicers. We are also concerned about due process as it relates to deactivations. While we would assume that regulations and statute will be followed, the definition states
	7/22/99	III-8 - We are uncertain as to the meaning of the 4th bullet. FFELP participants already use standardized financial transaction processes (e.g., ACH, ARP, etc.).
	7/22/99	This document is very general and vague while discussing highly technical issues. This leads to uncertainty concerning exactly how each piece is to be accomplished, where/how the processing functionality exists, and what form the data sources are to take.
	7/22/99	III-36 1720 - The student should have the ability to request that the information be released to the designated guarantor for their state of residency and the state education department.
	7/22/99	Chapter V deals with the scheduling of events and without a full understanding of the interrelationships between systems (our own versus ED's), it is difficult to recognize potential problems and areas of concern relative to the timing of events.
	7/22/99	The Blueprint indicates that ED's partners will be consulted with regard to the design of forms, including electronic formats. FFELP participants, including ED, established a process for the development and approval of common forms. Unfortunately, while the Department initiated this process and established the Ad Hoc Standardization Committee, the Department ceased its active participation as a partner shortly after the process and Committee were established. Rather than reinvent this process, we believe the current mechanisms and forum can be enhanced to ensure all partners have appropriate input into the development
	7/22/99	In addition, as reflected in our response to question 10 in the Blueprint's introduction, the Postsecondary Electronic Standards Council was established specifically by ED and the FFELP community to develop electronic data exchange standards. We believe this process should continue to be used as the vehicle for addressing common electronic file formats.
	7/22/99	At a high-level, it appears that the student services offered under the Blueprint involve ED at the actual processing level for all programs while the detail appears to speak specifically to the FDLP and Pell grant

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7/22/99 References to Access America are made throughout the documentation; however here does not seem to be specific information on how guarantors and lenders will interact with the Access America pilot.

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- 7/22/99 The Blueprint indicates that the National Student Loan Data System (NSLDS) will be eliminated. We are concerned that millions of dollars and man hours have been expended by ED, lenders, servicers, secondary markets, schools and guarantors to develop and implement the NSLDS. Further, the Department continues to pursue the use of the NSLDS as the mechanism for calculating and paying guarantors and lenders their respective fees. The Department should, in conjunction with its FFELP partners, quickly and clearly assess its data needs, including the use of links to appropriate data owners' systems rather than developing yet another central data repository. Failure to do so will result in needless resources potentially being devoted to
- 7/22/99 Currently, there are numerous program-wide initiatives (e.g., CommonLine, Common Account Maintenance, Common Claims Initiative, etc.) being developed and refined by FFELP participants. These endeavors should be incorporated into the Blueprint rather than attempting to reinvent these processes and linkages.
- 7/22/99 In the Customer Satisfaction Management section of the Blueprint, ED speaks to gathering customer/partner service perceptions, developing plans and taking responsive action. During ED's Customer Service Taskforce interviews, there were numerous comments made in reference to ED not treating FFELP participants as true partners. In response to those concerns, FFELP participants were told that ED would develop a plan to address these concerns which we anticipated being outlined in the Blueprint. However, by omission, the Blueprint fails to alleviate the concerns that ED really does not believe guarantors, and in some instances lenders, are their partners. Moreover, it appears that ED has overlooked the substantial role that guarantors perform in the aid delivery process, program integrity, customer service, default prevention, debt management, and collection processes. In addition, when the Blueprint speaks of providing assistance, linking systems, and communicating with students, lenders, guarantors, servicers, secondary markets, and state
- 7/22/99 The "single student account" is mentioned, but there does not appear to be any description of the process and how it relates to the Student Account Manager. The Blueprint states that lenders can deliver aid directly into the account. This needs to be expanded to include lenders or their designees (i.e., guarantor disbursement service providers). The existing, well-developed and coordinated arrangements between FFELP trading partners and schools should not be abandoned but should be expanded upon by the inclusion of current industry best practices such as CommonLine and Internet processing and origination models.
- 7/22/99 III-6 In the last bullet, last line after "lenders", ED should add guarantors and state education departments.
- 7/22/99 III-6 Mention is made throughout this section that the "Personal Assistant" on-line systems will be available on a 24hour, 7days per week schedule. The Blueprint should clarify that the customer service representatives will be available during these times as well.
- 7/22/99 III-7 In the first bullet; 2nd line, ED should include State education departments, guarantors and others that provide the aid so that these organizations can provide customer service to the student.
- 7/22/99 The concept of the system serving as a central access point for data seems to be on-track, and the discussion regarding aid application processing makes sense; however, the process is confusing when it turns to centralized processing of loans due to the two programs FDLP and FFELP.
- 7/22/99 III-52 2746 Many state guarantors are very familiar with the court processes within their states. As such, ED, in conjunction with the guarantors, should consider transferring these defaulted loans to the designated state guarantors for collection.

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Community1D	7/22/99	III-35 AA-01.05 - We are concerned that OMB is not listed as a member of the core development team. If OMB has issues and concerns, they should be involved early on in the development process to outline their issues and thereby eliminate an extra step later in the process. Otherwise, a great deal of time and energy on the part of FFELP participants and ED could be spent developing, defining and finalizing a form that OMB may ultimately substantially change.
	7/22/99	III-47 AR-04.02- ED should specify that this is for loans held by ED.
	7/22/99	III-47 & 48 Manage Aid Status (AR-03)- The Blueprint states "this activity supports deferments, discharges, forbearances, and cancellations of FFELP loans by providing the borrower with appropriate information." It is unclear, however, as to the implications for FFELP. For example, will this be general information only with the borrower automatically linked to his/her lender/holder for details, etc.?
	7/22/99	III-48 1486 - Again, we assume this applies only to FDLP loans and federal grants.
	7/22/99	III-48 2320 - Working with states to develop a standardized reporting process, requesting this data on all delinquent/defaulted borrowers and passing on the information to the current holders would help in default prevention.
	7/22/99	III-48 2400 - We assume that determining a borrower's eligibility for an in-school deferment will be made by ED for FDLP loans while loan holders will continue to make these determinations for FFELP
	7/22/99	III-48 2412- We anticipate that if ED determines through verification with the Defense Department that the borrower qualifies for a military deferment, this information will be passed electronically to all holders.
	7/22/99	III-49 2622.01, 2622.02, 2622.04, 2622.05 - We anticipate that if ED receives information regarding a borrower's death, disability, school closure or bankruptcy action, this information will be provided to all of the borrower's current holders.
	7/22/99	III-50 Assign Defaulted Loan (AR-10) - We do not believe that OSFA would have the detailed loan information necessary to perform this activity for FFELP nor do we believe that OSFA should perform this function.
	7/22/99	III-50 Manage Debt Collection (AR-12)- The overview and all subsequent requirements should specifically reference ED-held loans only.
	7/22/99	Page III-89, Second Paragraph (FI-02): Describes an additional lender participation requirement "sets lender participation levels in the FFELP program based on lender performance as determined through internal and external program reviews, audits and other forms of performance monitoring conducted by ED."
	7/22/99	III-51 AR-12.05 - We assume that FFELP loan holders will be notified of any changes ED receives with respect to the borrower's employment.
	7/22/99	III-47 1280 - The Student Account Manager has been described as a virtual system. However, this business requirement implies that ED will be building yet another national student loan data system.

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CommunityID	DateReceived 7/22/99	Comment  III-52 2730.2 - State tax offsets and other state offset programs can only be used when the state holding the asset. If the loan is subrogated by ED, the state guarantor can no longer participate in the state-level offset programs. Upon locating defaulted borrowers in states with multiple offset programs, perhaps ED should consider transferring the defaulted loans to the state with the most stringent offset programs. ED then gets the benefit of both the federal and various state offset programs. Further, the state guarantor should be permitted to pass the offset costs on to the borrower.
	7/22/99	III-46 AR-05 - The title should be changed to "Process Billing Information for FDLP Loans".
	7/22/99	III-54 Manage Consolidation Loan Information (AR-07-2191 & 2192.01 & AR-07.02) - The language states that OSFA will notify the borrower of an accepted consolidation application by a FFELP lender. We believe that the lender should be the entity performing this task. Further, we do not believe that OSFA should be managing the FFELP consolidation process.
	7/22/99	III-67 Develop & Deliver Information, Training & Technical Assistance (SS-04.03 & 04.04) - We are pleased to see guarantors are listed as entities with which information is to be coordinated and exchanged.
	7/22/99	III-75 School Services - Aid Origination and Disbursement Subprocess Descriptions (OD-01 & OD-16) - This provision appears to include FFELP. As stated earlier, we assume this is data only and not FFELP dollars.
	7/22/99	III-79 Manage Lender Disbursement Information (OD-16 & OD-1460) - Again, ED should ensure that is data only and not data and dollars for FFELP.
	7/22/99	III-87 Financial Institution Services - Program Eligibility - We do not believe that Access America is the appropriate vehicle to monitor the eligibility of financial institutions. We appreciate any enhancement that reduces redundancy; however, we believe this provision utilizes a system/process for purposes that it was
	7/22/99	III-88 Financial Institution Services - Program Eligibility - There is no arrow pointing back to the guarantor from "Discontinue Financial Institution Eligibility". As such, the question is raised as to how guarantors would be notified if one of their participating lenders loses eligibility.
	7/22/99	III-89 Set Lender Participation Levels (FI-02) - The Blueprint should further clarify the statement: "This activity sets lender participation levels in the FFELPserves as a placeholder to provide flexibility for future requirement needs." Again, we do not believe that this is an appropriate function for Access America.
	7/22/99	III-90 Determine Financial Institution Eligibility (FI-01-3862) - This section implies that guarantors will approve lenders before ED does.
	7/22/99	III-90 Discontinue Financial Institution Eligibility (FI-03.01) - This section refers to the lack of reporting to ED but fails to address a lender's or servicer's failure to meet reporting requirements to guarantors. Further, there is no requirement specified for official notification of the guarantor by OSFA.
	7/22/99	III-90 Discontinue Financial Institution Eligibility (FI-03.02 & .03) - This requirement states "typically because the lender has sold all FFELP loans", but FI-03.03 goes on to state that lenders can still file claims. This should be expanded to clarify "if the lender is still holding some loans or if all loans have not been sold."

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	7/22/99	III-91 Financial Institution Services - Program Support - The Blueprint states: "This subprocess uses this information to identify potential performance issues and target on-site program reviews." Again, we are concerned that this is not an appropriate use for Access America. Also, this section refers to lender/guarantor participation levels, yet there is no function which provides business requirements for guarantor participation levels. The function that discusses participation levels (FI-02) only covers lender
	7/22/99	III-92-98 Financial Institution Services - Program Support - This requirement describes program support processes including auditing and program reviews. With regard to the latter, the lack of specificity concerning the nature of "performance reviews" to be undertaken by ED (e.g., are these in addition to regular auditing cycle activities?) should be a subject for delineation in later drafts. While the narrative largely addresses reviews of financial institutions, the type and range of information to be sought from guarantors is
	7/22/99	III-93 Maintain Financial Institution Performance Data (FI-05 & FI-06) - There is no mention as to what the performance indicators are. It appears the terms performance reviews and program reviews are used interchangeably. If the terms are meant to be the same, ED should use one or the other but not both to avoid confusion.
	7/22/99	III-51 AR-12.06 - Guarantors were having success with litigation prior to the current restriction imposed by ED. If ED is serious about examining best practices, litigation by guarantors should be re-examined.
	7/22/99	III-42- The flow is identified as FDLP consolidation, which raises the question as to where the flow diagram is for FFELP consolidations. ED must also provide loan verification for FFELP consolidation. As such, the Blueprint should describe how this information will be available to consolidating lenders and guarantors.
	7/22/99	III-36 1711 - ED should clarify whether it intends to generate all promissory notes for FDLP and FFELP, or only for FDLP.
	7/22/99	III-36 1712 - ED should provide a PIN for lenders, escrow agents, and guarantors to access the signed promissory note via the web and provide an electronic notification to these entities once a valid promissory note is obtained. This will eliminate manual paper handling. In addition, if ED is going to take full responsibility for obtaining and maintaining promissory notes, then once the other partners are notified that a note has been obtained, it should no longer be necessary for other entities involved in the process to maintain a paper copy.
	7/22/99	III-36 Manage Application (AA-02, 1690) - The business requirement definition refers to 24-hour and 7-day-per-week access to application mechanisms. The Blueprint should clarify that representatives will be available during those same hours. The document should outline the contingency plan if one of the business partners experience a temporary system crash, and cannot receive application information being submitted.
	7/22/99	III-37 1750.07 - Based on the Blueprint's discussion, we are unclear as to the process for getting the release approval to obtain personal information from those who have not requested federal aid.
	7/22/99	III-37 Obtain Eligibility Assessment Information (AA-03-1750.04 & .05) - The business requirement definition mentions getting application information from the IRS and HHS, but does not indicate whether they are actually performing verification. Further, the document implies that there would be 100 percent verification. In addition, no mention is made of a school's ability to override IRS/HHS information for instances that call for performing languages (a.g. percent loss of employment loss of untoyed income etc.)

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professional judgment (e.g., parent loss of employment, loss of untaxed income, etc.).

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·	7/22/99	III-37 Assess Participant Eligibility (AA-04-1800.01 & 1870) - State agencies are mentioned in this section with regard to eligibility, awarding, and funding; however, again, they are not represented on the flow diagram on page III-33 as being linked to Assess Participant Eligibility or Manage Aid Package.
	7/22/99	III-38 - Business Requirement ID 6080 describes an aid management package. Based on our experience working with schools, ED's packaging system should not be mandated, but instead be offered only as an option. Schools need the flexibility to contract with vendors for software and hardware that best matches
	7/22/99	III-38 Manage Aid Package (AA-05.01) - The accept/reject provision should apply to specific portions of the aid package, not just the overall package. We are also uncertain as to how would this would apply to a borrower who accepts or rejects an aid award at a FFELP school.
	7/22/99	III-39 Student Services- "Loan Repayment" is described as "offers counseling to and collects money from borrowers who have entered repayment, provides invoices, processes loan consolidation requests," While these processes should be provided by ED for FDLP loans and borrowers, we believe that FFELP participants should continue to provide these services for the FFELP.
	7/22/99	III-39 Flow Diagram Description - As in other sections of this Blueprint, little mention is made of the FFELP options and interfaces.
	7/22/99	III-39 - (see comments page III-18) Lenders and guarantors already utilize commercial payment processes. Further, the manner in which this is written implies that ED will be handling all payments. In addition, there is no mention of examining best practices for loan repayment; rather, the plan reflects the current options ED uses (wage garnishment and collection agencies).
	7/22/99	III-47/48 1282, 2252, 2620, 2700 - (see comment III-47 1280) In addition to implying that ED will be building another national data system, it appears that the system will contain non-federal information. This does not sound like a virtual system.
	7/22/99	III-41 - Similar to III-40, we concerned that guarantors are not listed. Also, the loan repayment flow diagram moves straight to debt collections, omitting delinquency and default claim processing. The process flow in the Blueprint appears to reflect only that used by the FDLP.
	7/22/99	III-45 AR-02 - (see comments for III-43) Additionally, AR-02 notifies and allows the borrower to select repayment terms but does not contain a business requirement for notifying the loan holder(s).
	7/22/99	III-46 2114 - We assume that the repayment schedule is being generated only for FDLP loans.
	7/22/99	III-46 Process Loan Payment and Grant Overpayment (AR-04) - This section is confusing because the overview refers to ED-held loans while some of the individual requirements refer to loans held by guarantors
	7/22/99	III-40 Student Services Loan Repayment (A) flow diagram - There is no link from "Select Repayment Options" to the lender. As such, it is unclear as to how the lender would know what repayment option the student has selected. Also, the diagram references consolidation into an FDLP loan but fails to mention the reverse
	7/22/99	III-45 Select Repayment Option (AR-02) - This section clearly includes FDLP loans. The Blueprint should explain where and how FFELP and lenders will be included. We assume that there will be similar counseling on repayment options for FFELP borrowers.

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	7/22/99	III-44 AR-16 -This process should be split into 2 subprocesses: one for FDLP and another for FFELP consolidation where ED should provide accurate and timely payoff information and post payoffs for FFELP
	7/22/99	III-44 AR-10 - As written, this subprocess implies that ED will determine, without collective agreement with the guarantor, when defaulted loans will be mandatorily assigned to ED.
	7/22/99	III-44 Manage Consolidation Loan Information (AR-07)- It is unclear as whether ED intends for this process to apply to only the FDLP or also to FFELP. (see response to item III-43) Also, the Blueprint should describe how OSFA will keep its information current regarding "available consolidation agents".
	7/22/99	III-43 AR-02 - ED should indicate that the loans ED being negotiated with the borrower are FDLP loans. Otherwise, ED should link to the loan holders which may provide different repayment
	7/22/99	III-43 Select Repayment Option (AR-02) - For FFELP, lenders, secondary markets, servicers and guarantors should be the entities providing the borrower with specific repayment information and options.
	7/23/99	The document still has many references to centralized processes for all loans, including FFEL, as opposed to the use of common business rules. At the last meeting with the FFEL people on June 3, you stated it is not the intent to centralize all processes but to work with the partners to develop common business rules. My concern is that unless the document is changed to reflect the common business rules approach, the FFEL community will direct their efforts toward undermining the modernization effort as opposed to working with you on it. Further, the centralized processing approach is inconsistent with the direction the Access America
	7/23/99	One of the real positives of the initial draft of the Blueprint was the opportunity for customers and stakeholder partners to provide feedback on the eleven key questions presented in the Executive Summary. I believe the answers to these questions will go a long way toward clarifying a number of issues and will further the community's understanding of the Blueprint. I recommend that OSFA publish their position on the answers to the eleven questions in the next draft of the Blueprint.
	7/23/99	Overall I am impressed with the breadth of the document and once completed, it will provide the foundation for rapid progress.
	8/6/99	Federal Student Record database - If the modernization effort is to succeed, it is extremely important that the federal student record be defined, I.e, what data relating to the intergrated student record resides on the Federal database or databases and what data elements reside on stakeholder databases accessed by the Virtual Student Account network. Until this issue is resolved, there will be a continuing debate among stakeholders as to who controls the data and it will be very difficult to make progress in the Virtual Student Account Wrok Group and the Origination and Disbursement Workgroup. Prior to the initiation of the NACHA forum, this same issue repeatedly surfaced in the Access America Pilot Project relative to the SAM.
	8/6/99	11 Questions- The most recent draft of the Blueprint includes some community feedback on the 11 questions posed in the first draft but does not state the PBO's position. I believe that it is important for the PBO to answer these questions in order to provide direction for the Modernization effort. Until these questions are

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answered, it will be difficult to establish a firm direction and it will be difficult to resolve issues 1 and 2 above.

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·	8/6/99	Centralized Processes - Related to issue 1 is the fact that as currently written, the Blueprint will centralize, or gives the impression that it will centralize, many of the processes currently performed by stakeholders such as lenders, servicers, and guarantors. These processes include loan originiation, disbursement, payment processing, deferment processing, collections, etc. The PBO has stated it is not their intention to centralize all of these processes under the Department of Education, but to establish common business and process rules. The July 30 draft reflects changes that modifies some of the processes that were centralized in earlier drafts, but further changes need to be made. Unless the Blueprint reflects the emphasis on common business rules instead of centralized processes, many stakeholders will undermine the modernization effort. Further, I believe the task to centralize everything will be too great and the effort simply will not succeed.
	8/9/99	Misses the point of modernization totally- addresses things based on how they were a few years ago!
	8/9/99	FFELP will only provide new disbursal data at an acceptable interval from the data creator. Borrower repayment data will be provided to Fed data warehouse as needed for CBO, OMB and oversight. Customer service through virtual account will be provided for Feds use on a fee for service basis.
	8/9/99	Enterprise Services- Info technology management- "Common Standards, are secure, readily integrate and interface with channel partners, and keep pace with new technology and technical requirements". PBO must be committed to the NACHA process and standards since that is the only way for the whole enterprise including the PBO to ultimately operate efficiently. This is nowhere mentioned in the document as to the "how" of adopting standards.  In my previous submissions attachment A (not included here), electronic governance is supported by non-governmental standards setting body as also envisioned by Congress during the re-authorization process. Although it may seem more timely to allow Federal Contractors to set data standards, the modernization blueprint envisions using and fixing existing systems while also using commercial standards. To me this is contradictory. Using open standards is the exact reason the department of Commerce has rules
	8/9/99	Full use of Mutual Benefit Corporation services should be incorporated under fee for service provisions of the Higher Education Act, Title 1 to create a "virtual" student account for customer service. As written these and subsequent sections ignore the recently enacted congressional legislation which was signed by the
	8/9/99	The message is blurred when one considers the prioritization of tasks at hand. The PBO can't be all things to all people. Concentrate on Federal Title IV data elements and build the enterprise database to support. Reframe from writing about non-Federal Title IV functions and the community will fill the need through competition. Overlapping Title IV/ non-Title IV functions will be handled by MBC like organizations or providers
	8/9/99	Standards among the community are very, very important to allow software vendors and stakeholders to develop innovative systems for aid disbursements and repayment. Access America's continuation of using NCS developed data sets in just another example of prior practices. Make a commitment to standards development or lose the stovepipe battle. How does NACHA fit in? How does the standards council fit in? Will PBO agree to use standards? These issues are never touched on in subsequent sections including ITT
	8/9/99	First thing- delegate the all-enrolled database and management of customer service switching to the private sector under fee-for-service provision.
	8/9/99	Student Services Aid Awareness- take this out as an element. The private sector will manage (schools, states and lenders). This detracts from the primary mission of consolidating ED's stovepipes. Needs to describe a method of shared responsibility with the community.

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CommunityID	DateReceived 8/9/99	Comment  Adopt a GENERAL RULE: IF DATA WILL BE USED or SWITCHED FOR BOTH TITLE IV AND NON_TITLE IV FUNCTION- PBO WILL USE NOT-FOR- PROFIT Mutual Benefit Corporation's (MBC) or SIMILAR ORGANIZATIONS TO SUPPORT SUCH FUNCTIONS. (i.e.: National Student Loan ClearingHouse, ELM Resources or UT Austin Server). LONG TERM PBO DECISIONS WILL BE MADE IN CONSULT WITH THESE ORGANIZATIONS ALLOWING THESE GROUPS TO DEVELOP NEEDED INFRASTRUCTURE.
	8/9/99	This chapter presupposes one big Federal system- make the statement that it will be used only for FDL and Pell. MBC and private sector servicers will provide FFELP and customer service switches. Is this what you are designing?
	8/9/99	Sequencing Plan- and many, many other places. "Single Student Acct" this term is insulting to the FFELP community and ignores good customer service to students. Use the term throughout -"Virtual student acct". This presupposes that the PBO will cooperate with the FFELP community in presented the best and most accurate data to a student. PBO can always perform datawarehousing for certain governmental review but don't kid the community that this account could ever be used for customer service.
	8/9/99	Most of the sections of Chapter 3 apply to FDL and not FFELP as written should be stated.
	8/9/99	Statements reference origination's for FFELP must be made. Through out the document it should be stated that customer service info for FDL, Pell (and not including FFELP) would be maintained on the Federal system since agreement with community has occurred on AA4S where FFELP loans will have "URL linkages" only with AA4S or the blueprint prior to disbursal. The real data is on FFELP system.
	8/9/99	V-10 Financial Institutions Services- Performs management
		V-22- 44 The new version of the "hair ball" presented through out this document pre-supposes one big Federal system but has a cute "interface" to lender systems. The fact of the matter is that customer service; interest subsidies and such will always come from the servicers system! Give up on having a big federal system calculate interest allowance and subsidies. The servicer creates the Fed bill and ED audits. You will never make it work off a Federal system. Even suggesting that customer services for FDL would come from the NSLDS is a joke. If a borrower needs data go to the Direct Loan servicer! NSLDS is an overpriced data warehouse that the PBO employees are attempting to prop up as something that can be used for customer
	8/9/99	Two participants are already submitting the Fm 799 in standard EDI. Work in this direction with community involvement.
	8/9/99	V-6 3. "The modernized architecture will consolidate like processes, thereby reducing redundant or multiple applications for the separate aid programs."  State that this is FDL and Pell only short a positive negotiation with the FFELP community.
	8/9/99	As with most of the sections it is clear that CSC has allowed conflicts to exist throughout the document intentionally or through poor coordination of work efforts. V-6 2. Data Integration- "Ensures consistency and integrity of data exchanged between OSFA and its business partners Using data networking, the architecture allows an integrated view of all student data. Whether that data physically resides with one of our partners, or in the OSFA corporate database."  How is the PBO going to do this? This totally contradicts statements in Chapter 3.

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	8/9/99	Since each system creates their own index/reference number we have a proliferation of ID's from SSN's to process id's. Typically the debate is between "smart" numbers which are used on ATM cards or system generated number on legacy systems. This will be an important issue that should be worked through with
	8/9/99	Origination processes status will not be included in AA4S or the blueprint since the functions are performed by the private sector. PBO will have API links to that information.
	8/11/99	The Blueprint appears to substitute the term "Federal financial aid" for "financial aid." The projection of financial aid appears not to include state-based aid, which last year was approximately \$3.4 billion nationally, and institutionally-based aid, which exceeds the levels provided by the states. Also, many states offer tuition savings and pre-payment plans that may not be accounted for in the Blueprint. While it is recognized that the Federal Government is the single largest provider of student financial assistance, that distinction is based uopn the volume of student loans. The assistance provided by states and institutions for the most part is grant, scholarship, and tuition assistance. Since the projection of "financial aid" may not include this assistance, as well as private sources, there is a significant underestimation of avaiable aid. The net effect is that the lack of full student financial resources will influence the decisions on education and training made
	8/18/99	After reading the "Imagine This" section of the Executive Summery, several people have expressed concern OSFA appears to be attempting to centralize all of the financial aid delivery system functions under its control. In addition, almost all of the functions proport to be supported by electronic internet services, leaving many to question whether such a design will create unequal access amongst students and families.
	8/18/99	On behalf of NASFAA and its more than 3100 institutional members, I want to take this opportunity to thank you and the members of your staff for providing everyone the opportunity to review the comprehensive Modernization Blueprint you have prepared to revamp OSFA's operations and procedures. The document reflects the enormity of the work involved in modernizing the nation's student financial aid delivery system, and challenges all of us to work together to develop a sequencing plan that will result in an improved, more efficient system to deliver financial assistance to America's students. We certainly want to commend you and everyone involved for providing such a comprehensive and substantial document, It clearly reflects the PBO's willingness to operate in an open environment and to seek input from everyone involved within the
	8/18/99	Several members have expressed disappointment that many of the improvements initially identified and supported under Project EASI are still two to three years out. People perceive, correctly or incorrectly, that most of the early functions to be implemented help OSFA, but do little to help institutions with their
	8/18/99	? OSFA indicates it has decided to consolidate all of its systems into a single location. While most people understand the advantages of this approach, they also re-member past experiences when a particular location was forced to halt production due to weather disruptions, power failures, etc. As such, OSFA should have assurances that adequate back-up systems or sites are available to insure the whole system is not compromised at any point in time.
	8/18/99	As noted earlier, people have questioned whether or not it is feasible or desirable for OSFA to collect all campus-based and or other private aid sources. The Data Integration description, however, seems to suggest that schools will need to establish systems to enable their databases to be readily exchanged with OSFA and/or other partners. If this is the plan, then far more detail and explanation of the processes involved need to be outlined. Does this approach envision "real time" exchange at some point? Who will bear the expense for such exchanges? What are the timeliness

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CommunityID	DateReceived 8/18/99	Comment  ? The sequencing plan refers to PLUS redesign of the FASFA. Feedback we have received from most aid administrators and input previously provided to OSFA, would suggest there is opposition to using the FASFA as the PLUS application. The relatively small number of PLUS borrowers, the difficulty of identifying which parent is applying, for the loan, and determining whose data is being analyzed for the loan were some of the reasons suggested. Has OSFA decided to ignore the recommendations it received earlier from its listening groups? If the PLUS redesign of the FAFSA is referring to other issues, these need to be clarified.
	8/18/99	? The description of the "Personalized Student Web Page" notes that students with multiple loans would be advised to consolidate such loans. Most of our members believe OSFA should provide information, but not attempt to be an advisor for the student. As noted previously, consolidation needs to be carefully reviewed along with all options before imposing this upon borrowers.
	8/18/99	? The description of the Single Student Account notes that the Perkins data will be included. Is the plan to use data from NSLDS or are other sources envisioned? Will students be told the data they are reviewing may not fully up-to-date?
	8/18/99	? Will the IRS match proposed in the sequencing, plan eliminate the need for institutional verification of data?
	8/18/99	? On-line loan exit counseling is described in different sections of the sequencing plan. On V- 12 and V- 14, it refers only to Direct Loan borrowers, but on V -27, it seems to be open to any borrower. Could this be
	8/18/99	As previously noted, NASFAA believes if OSFA's Modernization efforts are to be successful, it is essential for all of the partners to have an opportunity to fully participate in the decision making process. In order for this to occur, a structure needs to be designed to bring all of the partners together to discuss issues, to agree upon solutions, and to set priorities. The Blueprint and the findings outlined in the Customer Service Task Force Report describe many features and services that different entities would find extremely desirable. Others, however, might question the value or need for such. Therefore, there is a need to bring the various partners together to insure there is general agreement upon what should be done vs. what could be done and then to discuss priorities and timelines for each agreement.
		Unfortunately, the Blueprint does not address this issue.
	8/18/99	Related to this, is the question of what are the roles, and who will be retained as OSFA's "Modernization Partner." Will the "Modernization Partner" be asked to bring the partners together to discuss priorities and directions? Again, NASFAA would observe the existing draft of the Blueprint does not address these issues.
	8/18/99	The forum or structure for this type of collaborative partnership has become even more confusing to most NASFAA members since NACHA has been engaged as the coordinator of a public/private partnership to Our feedback would suggest most aid administrators are relatively unaware and seemingly complacent about OSFA's overall modernization efforts and they have not fully reviewed the "Blueprint" in depth. While most have read the Executive Summary, they have not focused on the remainder of the document. Several have commented they became confused and frustrated trying to grasp the other chapters. Many perceive that the business requirements and technical architecture descriptions ill only affect OSFA and because most aid administrators are not involved with this level of technical issues on a day-to-day basis, they simply have not

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	8/18/99	Many people are confused about the distinctions between the statutory goals of the PBO per se and the activities and proposals being advanced by Access America for Students, the OSFA Customer Service Task Force, Project EASI and its partnership pilots, and Highway One. The distinctions have become even less clear since the National Automated Clearinghouse Association (NACHA) has been contracted to manage the
	8/19/99	The Blueprint references to "electronic student account," " single point of contact for students," and "single identifiers for particular loans or grants," lead most aid administrators to believe OSFA is proposing to create a national student database. While this was addressed in the July 3 1 version of the plan, it needs to be clarified repeatedly so people understand what is being planned.
	8/19/99	The overview of the three Channel Driven Services, continues to create a mixed reaction from aid administrations who on one hand like the idea of a "single contact" and yet who see the design as potentially creating three new large "stove pipe" functions that are not well coordinated.
	8/19/99	A number of aid administrators have told us they perceive the Modernization Blueprint as an indicator the PBO is trying to greatly expand OSFA's reach and role within the student aid delivery system. These individuals envisioned the PBO would assume a narrower focus, such as improving reaction time for inquiries, streamlining delivery, adoption of integrated systems, improved management of contracting and bidding procedures, and delivering current services and products on an announced, preset, improved timeline. While the Blueprint addresses several of these later items in its content, many see the Blueprint as being written from a macro point of view, that falls to address shorter-term priorities that should be fixed.
	8/31/99	IV-5 Student Services, 3 rd line – Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the term "lenders" should be replaced with "financial institutions".
	8/31/99	IV-6, 7 Loan Repayment – From an operational perspective, we do not believe loan consolidations should be in "Loan Repayment" section. Perhaps it should be included in Aid Awareness or Originations.
	8/31/99	IV-7 Aid Origination and Disbursement, 5 lines up from the bottom of the page — Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the terms "lenders" and "guarantee agencies" should be replaced with "financial institutions".
	8/31/99	IV-26 Aid Origination and Disbursement Process Flow diagram – Due to the lack of clarity of the graphics, we are unable to determine if the chart is accurate.
	8/31/99	References to "One Stop Access," "one stop shopping," "single point of contact," etc. are misleading and confusing given ED's repeated verbal assurances that the intention of the Blueprint is essentially to make data available, which for FFELP loans will be through referring borrowers on to their loan holders or guarantors and their electronic web sites. We support the use of the terminology "access" as a more accurate descriptive word for the Virtual Data Center and suggest consideration of the phrase "point of access". The following sections should be revised accordingly: - IV-168, C.1 Level 1 IT System Architecture - IV-175, Technology Drivers, 6 th point

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•	8/31/99	IV-16 Aid Application Process Flow diagram – The Federal Agency box has no lines coming to/from it. As such, ED should explain the purpose for this box.
	8/31/99	The Blueprint calls for a virtual data center to provide an avenue to Title IV student financial aid data. We understand the virtual data center will be composed of (1) an integrated SFA data base (including limited FFELP data) of data currently stored in ED's stovepipe systems as well as (2) access through linkages to FFELP loan data on the systems of lenders/holders/servicers and guarantors. While we concur that integration and coordination of the multiple SFA databases is much needed, we do not believe that there is any merit to ED becoming a repository for FFELP data currently available through FFELP guarantor and lender systems. The Blueprint should be revised to reflect that the data ED will warehouse will be limited to that which ED currently maintains. These revisions are necessary in the following sections: - IV-170, C.1 Level I IT System Architecture, par. 1 - IV-171, Design Principles, 2 nd pt, Centrally Managed & Controlled Corporate Data - IV-175, Technology Drivers, bullet 7 - IV-176, Technology Drivers, bullet 3 - IV-180, Integrated Databases - IV-183, "Integrated SFA Enterprise Databases" - IV-185, "Integrated SFASFA (sic) Enterprise Databases" - IV-187, System Interfaces, Requirement Number 2942
	8/31/99	IV-8 Program Eligibility for Financial section, 3 rd line down – Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the terms "lenders" and "guarantee agencies" should be replaced with "financial institutions".
	8/31/99	IV-8-Financial Transactions for Financial, 2 nd sentence up from the bottom – Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the terms "lenders" and "guarantee agencies" should be replaced with "financial institutions".
	8/31/99	IV-9 Performance Management, next to the last sentence – The order of the entities that are listed is inconsistent. The order should be CSM, ESM, and then Financial Management.
	8/31/99	IV-10 Financial Management, 5 th line down – This sentence should be rewritten to reflect that "the activities OSFA must perform to oversee one of the largest portfolios of consumer loans in the country."
	8/31/99	IV-8 Financial Institutions Services, 2 nd line down – Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the terms "lenders" and "guarantee agencies" should be replaced with "financial institutions".

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Communital	DataBassinad	Comment
CommunityID	DateReceived 8/31/99	Comment  IV-20 Loan Application Process Flow, 5 th sentence down – OSFA does not and should not produce promissory notes for lenders and guarantors. This discussion be substantially revised to reflect the role lenders and guarantors play in the FFELP loan application process.
	8/31/99	Throughout Chapter IV, the SFA enterprise database links several databases together (e.g. schools, aid organizations, financial aid institutions, etc.). It is not entirely clear, however, as to whether these other databases belong to ED or are off-site databases owned by external partners (lenders, schools, etc.). If external, the document should outlined how the databases will be connected and what software and hardware requirements will be placed on external organizations.
	8/31/99	IV-25 Aid Origination and Disbursement – The process outlined in this section applies only to the FDLP. This discussion should either indicate that it applies only to the FDLP, or it should be substantially revised to reflect the role lenders and guarantors play in the FFELP aid origination and disbursement process.
	8/31/99	III-103 Financial Institutions Services – Financial Transactions diagram – ED should define "other government agencies".
	8/31/99	IV-27 Program Support for Schools Process Flow – The box labeled "Services" should be "Servicers".
	8/31/99	IV-180 Interfaces – The expansion of e-commerce with schools and financial institutions should be stated as being dependent on a qualitative and quantitative basis, such as a successful pilot, rather than as "more trusted relationships develop."
	8/31/99	IV-164 Creation and Issue, Item 04 – The word "RFI" should be replaced with "RFP".
	8/31/99	IV-30 Program Eligibility for Financial Institutions Process Flow, 4 th line from the top – This section should include secondary markets and guarantors.
	8/31/99	IV-180 Interfaces – The expansion of e-commerce with schools and financial institutions should be stated as being dependent on a qualitative and quantitative basis, such as a successful pilot, rather than as "more trusted relationships develop."
	8/31/99	IV-30 Program Support for Financial section, lines 4, 6, 9 and 11 – Assuming the definition of "financial institutions" includes lenders, secondary markets, servicers, and guarantors, the terms "lenders" and "guarantee agencies" should be replaced with "financial institutions".
	8/31/99	IV-46 Aid Awareness Subprocess Flow – This section should clearly state what aid programs are being promoted and should include equal awareness and coverage of the FFELP. Further, ED should use existing web-enabled products to promote aid rather than creating new products and services.
	8/31/99	IV-166 Contract Management – It is unclear as to the process for transitioning from old contracts or eliminating/terminating existing contractors for poor performance.

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	8/31/99	IV-21 Loan Repayment Process Flow (1 of 3) – ED should define the Government Agency Box.
	8/31/99	III-43 "Student Services – Loan Repayment (B) Debt Collection" diagram – The diagram identifies "Other Government Agencies". The Blueprint should identify to which agencies this is referring.
	8/31/99	Much of this chapter appears to apply only to FDLP as many of the flow diagrams and business process descriptions only reflect the FDLP. If the intention is to have this section apply also to FFELP, then ED must make significant revisions to better explain how the business requirements and trading partners for FFELP will be taken into consideration. If ED does not intend to have this chapter apply to all programs administered by OSFA, then the section headings and descriptions should indicate to which programs they refer.
	8/31/99	A definition section or glossary of terms is needed, and consistency in terminology throughout the chapter must be ensured. The absence of these definitions impairs the ability of readers and users to properly interpret ED's plan.  We have identified specific terms contained in this chapter that should be clearly defined:
		FFELP trading partners Other Government Agencies Baseline Sanctions
	8/31/99	III-7 Major Changes from the Students Perspective – The Blueprint should clarify if the customer service representatives will be available 24 hours x 7 days per week. If so, ED should outline what the budget impact of this additional service is and where those funds will be derived.
	8/31/99	III-8 Major Changes from the Schools Perspective; 3 rd bullet – ED should either remove the statement "This will dramatically reduce 'technical defaults' " or provide the statistical data that supports the statement.
	8/31/99	III-9 Major Changes from the Financial Institutions' Perspective – The sentence "A customized web site linking OSFA to lender sites" should include guarantors, lenders, and servicers. Further, we are not clear what the department's intentions are with this. If this refers to both FFELP and FDLP loans, it must allow for direct linkages to FFELP trading partners for customer service regarding repayment. In addition, ED indicates that it will create a simple origination and disbursement system. This statement should be clarified that this new system would apply only to FDLP and Pell.
	8/31/99	III-10 Major Changes from the OSFA Employee's Perspective – In the fourth paragraph, the second sentence should be revised to read "including OSFA's overall program costs" to clarify that this refers to OSFA's internal costs.

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CommunityID	DateReceived 8/31/99	Comment  III-13 Student Services – We reiterate our original comment in which we stated that the 2 nd sentence fails to mention guarantors and state education departments. Further, the terms "consolidate" and "one student master account" do not seem to be consistent with the concept of a "virtual system" linking multiple systems. In addition, the statement "OSFA Student Services handles all interactions with students" should be revised to read "OSFA Student Services can handle interactions with students" We believe that it is critical for the Blueprint to be clear about OSFA's role versus the student support functions that will continue to be provided by FFELP trading partners (e.g., repayment counseling, deferment/forbearance processing, collections, etc.).
	8/31/99	III-16 Loan Repayment – This paragraph is unclear as to whether FFELP is included. As such, we suggest the Department revise the text to read, "This process offers counseling to and collects money from FDLP borrowers who have entered into repayment, provides invoices, processes loan consolidation requests and attempts collection on defaulted FDLP loans.
	8/31/99	III-19 Aid Origination and Disbursement – The Blueprint implies that ED will be assuming functions currently performed by guarantors, escrow agents, and lenders. While we do not believe this to be ED's intent, the Blueprint is misleading as currently drafted. Further, this section is not consistent with the "virtual system" approach.
	8/31/99	III-20 Program Eligibility – As stated in our original comments, the Blueprint should indicate that ED will include lenders and guarantors as partners in determining program eligibility criteria. Guarantors currently perform a significant number of lender and school reviews and are subject matter experts in this area. As such, they should be actively involved in determining program eligibility criteria and key risk indicators.
	8/31/99	The term "services" is used many times throughout this chapter. The word should be "servicers".
	8/31/99	III-41 Student Services; Loan Repayment – We are concerned that much of this section appears to apply only to FDLP. ED should revise this section to outline the implications to FFELP.
	8/31/99	There are several terms and phrases in this section that should be defined and/or clarified. The terms include:  External Agents  Educational community  EFO  Establishes targets in line  Near-term development  Participant Authorizations  Participants  OSFA business channels

OSFA internals

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	8/31/99	III-45 Select Repayment Option (LR-02) – The text should be revised to reflect that for FFELP, the lenders, secondary markets, servicers and guarantors are the entities providing the borrowers with specific repayment information and options and those organizations' systems and web sites should be linked accordingly.
	8/31/99	III-45 Manage Consolidation Loan Information LR-07 – The chart should include FFELP consolidation information, options and agents.
	8/31/99	III-60 School Services – Program Eligibility diagram – ED should revise the diagram to reflect lenders, servicers and secondary markets. Lenders, servicers and secondary markets should have access to this data to verify school eligibility/status.
	8/31/99	III-66 School Services – Program Support diagram – The Department should clarify what is meant by "other agencies".
	8/31/99	III-77 & 82 School Services – Aid Origination and Disbursement Flow – We believe that this diagram refers only to FDLP and Pell data and should clearly state that. Additionally, the "Manage Lender Disbursement Information" subprocess on the flowchart and in the process descriptions should be deleted.
	8/31/99	III-91 Financial Institution Services – Program Eligibility – The term "other government agencies" should be defined.
	8/31/99	III-94 FI-03.01 – This process description indicates that action will be taken if the lender fails to report for 2 quarters. The description should be enhanced to reflect what information is not being reported and to whom that information should have been sent.
	8/31/99	III-96 Financial Institutions Services – Program Support diagram – Again, the term "other government agencies" should be defined. In addition, servicers should be added.
	8/31/99	IV-55 Obtain Eligibility Assessment Information, last sentence of the first paragraph – As stated previously, we do not believe it is appropriate for OSFA to generate promissory notes on behalf of lenders and guarantors. The discussion should be revised to reflect that lenders and guarantors generate the promissory notes for FFELP loans.
	8/31/99	III-133 Cost Management FS-06-5070.01 – As stated in our original comments, we are unclear as to the meaning of the statement "calculates any costs incurred by schools, lenders, and guarantors for which OSFA will be reimbursed through a charge-back process". The Blueprint should clarify its intentions.
	8/31/99	IV-53 Design and Distribution of Application Forms diagram – Due to the lack of clarity of the graphics, we are unable to determine if the chart is accurate.
	8/31/99	III-20 Program Support – In the sentence which begins "If the financial institution's performance", the Blueprint should clearly define "baseline" and "sanctions". Further, these definitions should mirror current statutory and regulatory criteria and due process elements.

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	8/31/99	IV-170 Rationale for SFA Architecture Decisions – The 5th point indicates the architecture will support reducing the cost of processing student loans, but the cost of processing all Title IV aid will be reduced through better communications.
	8/31/99	IV-155 Equipment Investment, Leasing and Disposal, Item 03 – The acronym "EFO" should be defined.
	8/31/99	IV-157 Safety and Security, Item 06 – We believe that "evaluation" should be replaced with "evacuation."
	8/31/99	IV-195 System Capabilities, bullet items 6, 10, 11, and 14 – The Blueprint implies that this process will be used for all federal programs rather than just for those loans held by ED. The documentation should clarify that this process is not applicable to FFELP loans.
	8/31/99	IV-200 System Interfaces chart, Item 2412 – The chart implies that ED will handle deferment and forbearance requests for all federal programs. The phrase "for loans held by ED" should be added to the description to ensure it is clear that this interface does not apply to FFELP.
	8/31/99	IV-198 Requirement Number 2150 – See comment on IV-197.
	8/31/99	IV-196 Loan Repayment System – The flow charts do not seem to reflect the input streams/interfaces described in the System Interface section immediately following the chart.
	8/31/99	IV-188 Requirement Number AW-5.04 – The description indicates the system will coordinate and exchange information to improve service delivery. The System Interface does not correspond to the Process Flow on page IV-185 which shows the flow going only to external partners; there is also a lack of correlation between the identified partners.
	8/31/99	IV-193 System Interfaces, Requirement Number 1920 – See comment regarding IV-189.
	8/31/99	IV-200 System Interfaces chart, 14 th bullet point in the right hand column – Add "for loans held by ED" to clarify that this provision does not apply to FFELP loans.
	8/31/99	IV-193 System Interfaces, Requirement Numbers 1800.01-1800.03 – See comment on IV-190.
	8/31/99	IV-190 Box labeled "Private Scholarship Agencies" – There are indications that ED plans to gather and coordinate data information related to private aid programs. It is not clear what the basis or authority is for ED to do this, and it goes beyond the mandate for the Department of Education to administer Title IV aid. ED should clearly outline both its authority and justification for requesting and maintaining such data.
	8/31/99	IV-50 Section AA-02 Manage Aid Applications, 3 rd sentence – It is unclear as to why there is a specific reference to PLUS loans. ED should clarify its intent for inserting this reference.

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	8/31/99	IV-170 Rationale for SFA Architecture Decisions – The 5th point indicates the architecture will support reducing the cost of processing student loans, but the cost of processing all Title IV aid will be reduced through better communications.
	8/31/99	IV-145 IT System Development Lifecycle, Item 01 – This sentence is unclear and should be rewritten to reflect ED's intent.
	8/31/99	IV-163 Need Based Planning, Item 04 – The acronym "SOW" should be defined.
	8/31/99	IV-157 Safety and Security, Item 06 – We believe that "evaluation" should be replaced with "evacuation."
	8/31/99	IV-155 Equipment Investment, Leasing and Disposal, Item 03 – The acronym "EFO" should be defined.
	8/31/99	IV-195 System Capabilities, bullet items 6, 10, 11, and 14 – The Blueprint implies that this process will be used for all federal programs rather than just for those loans held by ED. The documentation should clarify that this process is not applicable to FFELP loans.
	8/31/99	IV-193 System Interfaces, Requirement Number 1920 – See comment regarding IV-189.
	8/31/99	IV-193 System Interfaces, Requirement Numbers 1800.01-1800.03 – See comment on IV-190.
	8/31/99	IV-163 Need Based Planning, Item 07 – The word "Endures" should be "Ensures".
	8/31/99	IV-190 Box labeled "Private Scholarship Agencies" – There are indications that ED plans to gather and coordinate data information related to private aid programs. It is not clear what the basis or authority is for ED to do this, and it goes beyond the mandate for the Department of Education to administer Title IV aid. ED should clearly outline both its authority and justification for requesting and maintaining such data.
	8/31/99	IV-189 The Aid Application System, last sentence – ED has received overwhelming feedback that OSFA should not attempt to manage aid packages for schools. Any reference to this should be eliminated from the Blueprint.
	8/31/99	IV-188 Requirement Number AW-5.04 – The description indicates the system will coordinate and exchange information to improve service delivery. The System Interface does not correspond to the Process Flow on page IV-18 which shows the flow going only to external partners; there is also a lack of correlation between the identified partners.
	8/31/99	IV-163 Need Based Planning, Item 04 – The acronym "SOW" should be defined.
	8/31/99	IV-189 The Aid Application System, last sentence – ED has received overwhelming feedback that OSFA should not attempt to manage aid packages for schools. Any reference to this should be eliminated from the Blueprint.
	8/31/99	IV-94 Maintain Enrollment Status, Figure IV.B-54 – This diagram should include lenders and servicers as recipients of enrollment information.

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	8/31/99	IV-55 LR-01 Manage Repayment Counseling – This process flow description does not apply to FFELP as schools are required by federal regulations to perform exit counseling. Absent a change in the regulations, this section should be revised to reflect that it applies only to FDLP loans.
	8/31/99	IV-56 Obtain Eligibility Assessment Information diagram – The box labeled "Loan Origination DB" should be clarified. As written, it is unclear as to what data resides here, the sources of that data, and the programs to which the data is tied.
	8/31/99	IV-56 Obtain Eligibility Assessment Information diagram – ED should define what is intended by the listing of " 'Other' Federal Databases".
	8/31/99	IV-60 LR-02 Select Repayment Option – The process described in this section does not apply to FFELP. As such, the text should either clearly state that it is not applicable to the FFELP, or should be revised to reflect the lenders and guarantors involvement in the process.
	8/31/99	IV-61 Select Repayment Option diagram – The "Manage PERKINS Loan Cancellation" box does not contain any inputs. As such, who is responsible for this activity? In addition, Activity 19 has a "?". What does this notation mean?
	8/31/99	IV-30 Program Eligibility – This section contains a step labeled "set lender participation levels". This terminology should be defined and the implications should be clearly stated.
	8/31/99	IV-65 LR-07 Manage Consolidation Loan Information – The process described in this section does not apply to FFELP. As such, the text should either clearly state that it is not applicable to the FFELP, or should be revised to reflect the lenders and guarantors involvement in the process.
	8/31/99	IV-87 OD-01 Edit Common Origination Records – FFELP disbursements should not be edited through ED's central database. This function should be left to the guarantors, lenders and schools. The data can be made available to ED and the student through a virtual student account.
	8/31/99	IV-87 School Services B Aid Origination and Disbursement Subprocess Flows OD-01 Edit Common Origination Records – Figure IV.B-49 and the corresponding text should include guarantors, lenders, and servicers as providers of origination acceptance decision data to schools.
	8/31/99	IV-87 OD-02 Edit Common Disbursement Records – Figure IV.B-50 and the corresponding text implies that there will be a central data base through which all disbursements must flow and be edited. The document should be clarified that FFELP disbursements are edited by the disbursing agent and the school.

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8/31/99	IV-87 OD-04 Authorize Payments to Schools. Although it is not clearly stated, the last sentence regarding the "scheduled method" is assumed to refer to FFELP; the language should be revised to clearly reflect this. Also, there is a typographical error in the last sentence; the second "on" should be deleted. Also, ED should clarify how Figure IV.B-52 applies to FFELP.
8/31/99	IV-150 Partner Interface Management, Item 04 – "Partner" should be "partners".
8/31/99	IV-92 OD-016 Manage Lender Disbursement Information – As stated in our original comments (listed as IV-91 in that version of the Blueprint), we do not believe that this information should be managed in a centralized process.
8/31/99	IV-150 IT Partner Interface Management, Item 03 – This sentence is unclear and should be rewritten to reflect ED's intent. Perhaps it was intended to read "related issues".
8/31/99	IV-95 Manage Lender Disbursement Information, Figure IV.B-55 – This chart should include guarantors, lenders, and servicers as providers of disbursement information.
8/31/99	IV-100 FI-04 Develop and Deliver Information, Training and Technical Assistance – There is a typographical error in the parenthetical statement; "services" should be "servicers".
8/31/99	IV-100 FI-05 Maintain Financial Institution Performance Data – There is a typographical error in the next to the last sentence: "subprocess" should be sub-process".
8/31/99	IV-100 FI-05 Maintain Financial Institution Performance Data – Figure IV.B-60 and the corresponding text suggest that 10 types of data will be entered into this central data base; however, only 3 of those data elements are listed as outputs. It is unclear why 10 elements would be collected when only 3 of them are going to be used.
8/31/99	IV-103 Figure IV.B-61 Monitor Financial Institution Performance – This diagram seems to go much further than the corresponding text on Page IV-100 under FI-06. The text suggests that this area is for the purpose of monitoring financial institution performance and identifying potential issues. However, Figure IV.B-61 implies a much broader usage. For example, it indicates "participants", schools, and "other organizations" will be able to access information about services offered by the various financial institutions. This seems to go beyond the scope of monitoring performance. We do not believe it is prudent for the Department to provide marketing type information through its systems and web sites. In addition, the diagram indicates that guarantors will be able to access only guarantor default rates, not rates for lenders, secondary markets and servicers. Further, "servicers" are again referred to as "services".
8/31/99	IV-113Figure IV.B-68 Customer Partner Data Gathering – This diagram reflects "thanks" as an input item from ED's customers and partners. We believe it would be more appropriate to indicate "comments" rather than "thanks".
8/31/99	IV-127 Receipt Management diagram, Item 05 – "Pel" should be "Pell".

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	8/31/99	IV-136 Employee Development diagram, Item 01 – The diagram lists "near-term development" but does not define the term.
	8/31/99	IV-140 Employee Performance Management diagram, Item 03 – We are uncertain as to the meaning of the phrase "establishes targets in line". This sentence should be clarified.
	8/31/99	IV-143 IT Investment Management, Item 01 – We believe this item should read "trends and developments".
	8/31/99	IV-143 IT Investment Management, Item 09 – This sentence is unclear and should be rewritten to reflect ED's intent.
	8/31/99	While we understand that ED has posted participants' comments on the Modernization Blueprint ("Blueprint") web site, we are concerned that the section of the Blueprint that outlines the 11 questions only references a small portion of the comments. The Department should impartially summarize all of the comments received to ensure the final document captures the total feedback that was received.
	8/31/99	IV-92 OD-06 Reconcile Drawdown – This section does not seem to apply to FFELP. If that is true, the text should explicitly state to which programs this process applies.
	8/31/99	IV-261 Figure IV.F-3., box labeled Federal Employee Payroll System – See comment on IV-197.
	8/31/99	IV-216 Aid Origination and Disbursement System Interfaces, Interfaces OD.140 – This interface mentions a common integrated origination, payment and reconciliation process for all Title IV student financial assistance programs between schools and aid organizations. The document is unclear as to whether ED intends to use this system for only the FDLP or for the FFELP as well. If ED intends to incorporate the FFELP processes into this system, ED must outline the specific requirements and implementation timeframes.
	8/31/99	IV-217 Aid Origination and Disbursement System Databases – FFEL databases are identified as stovepipe databases for many subject areas. ED should outline its intentions
		with regard to linking these databases and the specific requirements and timeframes that will be used.
	8/31/99	IV-218 Aid Financial Institution System – Once again, it appears that the data flow arrows on the left side of the diagram are reversed. Descriptions of these data flows indicate that they should be inputs to the system. Further, the output to the ED box on the right hand side of the diagram is not defined. In addition, FI.109 is not reflected on the diagram but should be under "Guaranty Agencies", "Secondary Markets", and "Lenders/Servicers/Holders".

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	8/31/99	IV- 219 Aid Financial Institution System Capabilities – The 4 th bullet indicates that the system will collect and maintain financial institution profiles, program reviews, and audits that are performed EXTERNAL and internal to ED. If this functionality will place new requirements on the FFEL community, the Blueprint should clearly identify what those new requirements will be.
	8/31/99	IV-221 Financial Transactions, interface #114 – This section describes activity and data flow to the lender, although, as mentioned previously, lenders, holders, and servicers are not included on the diagram. These entities should be added.
	8/31/99	IV-238 MBP Identified Subject Areas Mapping – See comment on IV-217
	8/31/99	IV-241 ED/SFAM Target Architecture – At the top of the page, the assumptions note that OSFA Title IV trusted systems will be available for access from destination points (students, lenders, schools, guaranty agencies, reporting agencies, etc.) via the internet using web pages. The Blueprint should describe the system and programming requirements and the implementation timeframes for trusted systems to meet this expectation.
	8/31/99	IV-243 ED/SFAM Student Services – Target Architecture Level I – The diagram indicates that lenders and guarantor/government agencies will be utilizing PKI (Public Key Interface.) The Blueprint should outline the hardware and software requirements to implement this interface. In addition, ED should explain why schools and reporting agencies are not subject to this same requirement. The diagram implies that these organizations will communicate via FTS 2001 Services. Will this place additional requirements (e.g. dedicated lines) on these organizations?
	8/31/99	V-5 Steady Service While We Build the Future – We believe that this section only pertains to ED's internal systems and process and that the text should clearly state this.
	8/31/99	IV-259 Figure IV.F-1. IT Target Architecture for Aid Awareness – The Internet hyperlinks shown in the process flow should be to sites rather than to servers. The hyperlinks that are reflected fail to show links to sites sponsored by individual or groups of guarantors.
	8/31/99	IV-213 Aid Origination and Disbursement System – Based on the description of the contents of the data flows, it appears that the diagram has data flow arrows reversed for inputs from external entities on the left side (schools, lenders, etc.)
	8/31/99	IV-264 Figure IV.F-6. Architecture for School Financial Services – The process flow shows a cost allowance check being provided to lenders. FFELP lenders do not receive this assistance

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8/31/99 IV-266 Figure IV.F-8. IT Target Architecture for Financial Institution Services – The process flow includes a box for the Automated Clearinghouse (ACH); while arrows flow from the box, none flow into it. The process flow also shows the filing of ED Forms 799, 1189, and 1130 to be by invoice and seems to indicate ED Form 799 payments to lenders and Form 1189 and 1130 payments to guarantors are by check. In a "modernized" environment, electronic filing/invoicing and EFT payments should be available as an alternative for FFELP participants.

- 8/31/99 IV-267 Figure IV.F-9 IT Target Architecture for Enterprise Services Performance

  Management We believe that external entities such as lenders and guarantors should be
  given the capability to independently generate reports using the data warehouse. In order
  to accomplish this, the Blueprint should outline what the client software requirements
  would be and what inquiry language (e.g. SAS) will be used.
- 8/31/99 IV-275 Target Privacy Architecture (3 rd paragraph) and IV-278 ED/SFA Enterprise Network Security/Privacy-Architecture Level I The text on page 275 notes that business areas will be targeted for technologies such as PKI and digital certificates based on risk cost/benefit analysis. The diagram on page 278 outlines the security levels. ED staff/contractors have the highest security level; banks, schools, and guarantors/government agencies have higher level security; and schools (already listed under "higher level security"?), states and students have moderate level security. Further, it appears that ED staff/contractors use a direct line (FTS 2000) to connect to the network while other entities use the internet.
  - We assume this "closed connection" accounts for the highest security level being assigned to ED staff/contractors. If not, ED should state whether additional resources will be spent to improve security for these entities.
  - While banks, schools and guarantors/government agencies will supply data to the system via the internet, they have not been assigned the highest security level. The Department should describe the analysis that was the basis for this security level decision. In the diagram, extranet access (replaces Title IV WAN) for banks, schools and guarantors notes that PKI infrastructure (digital signature, encryption) will be used for all mainframe access. However, it is not clear as which mainframe(s) will be accessed. If this is referring to the mainframes of external entities such as banks and guarantors, the Department should outline the specific system requirements that will be required.
- 8/31/99 IV-279 An Approach: Applications Development (3 rd paragraph) The text indicates that components that must be deployed on the client will be deployed by the technique of downloading as needed. ED should clarify whether external clients such as lenders, servicers and guarantors will be able to handle all of the software needs in this way. In addition, ED should indicate whether ED will need access or specifications from external partners in order to make any piece of the system work.
- 8/31/99 We are concerned that the charts have not been updated with the changes in the text that have been incorporated already. We recommend that ED review all of the charts to ensure they accurately reflect the narrative.

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8/31/99	The charts do not clearly define "partner databases". We recommend that this be either clarified within the documentation, or defined within the chart itself.
8/31/99	We are concerned with the time frames outlined throughout the Blueprint. We believe that this aggressive schedule does not always take into consideration the ability of partners to implement changes without disrupting the established financial aid process for students. We strongly recommend that ED note in the Blueprint that the time frames are subject to revision, based on the ability of the trading partners to make the necessary corresponding changes without disrupting the flow of aid to students. Example: Section V-4 - Shorter schedule from 5 to 3 years, beginning in October 1999  The documentation makes numerous references the "tombstones" which appear to be applied inconsistently. The Department should clarify whether the ED systems being discussed in these sections are going to be "transformed" or "replaced," and explain what "transformed" means for each of these systems. Examples include:  V-4 Cuts in redundancy V-16 Subsystem Sequencing Plan V-19 Student Services
	V-26 Student Services Architecture Changes Planned for Completion Between October 2001 and September 2002 V-28 School Services 4 th Paragraph V-37 Financial Institution Services V-44 Financial Institution Services Architecture Changes Planned for Completion Between October 2001 and September 2002 V-46 Financial Management V-52 Financial Management Architecture Changes Planned for Completion Between October 2001 and September 2002 V-54 IT Management
8/31/99	As with other sections of the Blueprint, this chapter contains terms that have not been clearly defined. These terms include:  Community Integrated database Loan Servicers User community
8/31/99	IV-257 F.2 Student Services, number 3 – A centralized public web site is to maintain lender and school performance data related to aid awareness. The nature and source of this data is unclear.
8/31/99	IV-200 System Interfaces chart, 16 th bullet point in the right hand column – Add "of their FDLP loans enter default." to clarify that this provision applies only to FDLP loans.
8/31/99	IV-164 Creation and Issue, Item 04 – The word "RFI" should be replaced with "RFP".
8/31/99	IV-200 System Interfaces chart, 16 th bullet point in the right hand column – Add "of their FDLP loans enter default." to clarify that this provision applies only to FDLP loans.

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	8/31/99	IV-201 System Interfaces chart, Item 2150 – The chart implies that ED will handle notifications to schools on delinquent accounts. The phrase "for loans held by ED" should be added to the description to ensure it is clear that this interface does not apply to FFELP.
	8/31/99	student/customer, answering questions and providing counsel as needed.
	8/31/99	IV-203 System Interfaces chart, L.R. 181, bullets 1, 3, 8, and 11; L.R. 182; L.R. 183, bullets 1 and 5 – The phrase "for loans held by ED." should be added to the end of each of these bullets to clarify that they do not apply to FFELP loans.
	8/31/99	IV-204 System Interfaces chart, L.R. 184, bullet 1; L.R. 188; L.R. 189 The phrase "for loans held by ED." should be added to the end of each of these bullets to clarify that they do not apply to FFELP loans.
	8/31/99	IV-196 Loan Repayment System – The flow charts do not seem to reflect the input streams/interfaces described in the System Interface section immediately following the chart.
	8/31/99	IV-197 System Capabilities, Requirement Number 2000-2522 – The Blueprint includes references to automatic payroll deduction and shows information flowing to (but not from) the Federal Employee Payroll System. It is unclear if this is for debit of student loan payments from earnings or to facilitate collection of unpaid loans from federal employees through wage garnishment. Further, the documentation is not clear as to whether this information is available to FFELP loan holders, especially guarantors collecting on defaulted FFELP loans.
	8/31/99	IV-198 Requirement Number 2150 – See comment on IV-197
	8/31/99	IV-215 Aid Origination and Disbursement System Capabilities – Again, the loan-related tasks outlined in the chart are not performed by ED with respect to FFELP loans. As such, the entries should be revised by adding the phrase "for loans held by ED".
	8/31/99	IV-200 System Interfaces chart, 14 th bullet point in the right hand column – Add "for loans held by ED" to clarify that this provision does not apply to FFELP loans.
	8/31/99	IV-214 Aid Origination and Disbursement System Capabilities – The Department does not normally perform many of these items (e.g. bullet 4authorizing invoices and scheduling disbursements to schools) for FFEL loans. As such, it appears that this section applies only to the FDLP functions and should be clearly identified as such by adding the phrase "for loans held by ED".
	8/31/99	IV-201 System Interfaces chart, Item 2150 – The chart implies that ED will handle notifications to schools on delinquent accounts. The phrase "for loans held by ED" should be added to the description to ensure it is clear that this interface does not apply to FFELP.

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CommunityID	DateReceived 8/31/99	Comment  IV-201 System Interfaces chart, Items 2430, 2440, 2622.06, Interface LR155 – The interface described here would require additional reporting to ED than is currently required by loan holders today. Additional reporting layers would be costly ando cumbersome. Significant changes to systems, processes and procedures would be required to support this interface. This type of information should be provided to the student by the holder/servicer of the loan. The holder/servicer has the information to review the basis for these decisions and conduct informed discussions with the student/customer, answering questions and providing counsel as needed.
	8/31/99	IV-203 System Interfaces chart, L.R. 181, bullets 1, 3, 8, and 11; L.R. 182; L.R. 183, bullets 1 and 5 – The phrase "for loans held by ED." should be added to the end of each of these bullets to clarify that they do not apply to FFELP loans.
	8/31/99	IV-204 System Interfaces chart, L.R. 184, bullet 1; L.R. 188; L.R. 189 The phrase "for loans held by ED." should be added to the end of each of these bullets to clarify that they do not apply to FFELP loans.
	8/31/99	IV-205 System Interfaces, L.R. 212 – Add "for FDLP loans" to this entry to clarify that it does not apply to FFELP loans.
	8/31/99	IV-205 System Interfaces chart, Items 2240, 2260, 2270, 2280, 2290, AR-07.01, 2180, 2191.02, Interface L.R. 200, Managing Consolidation Loan Information – The second bullet describes the system as "Providing a listing of those loan holders that are authorized to be consolidation agents to borrowers at the borrower's requests". The use of the word "authorized" implies that there may be a "selection" process that takes place within the department to determine who should be included as "authorized" for use by the borrower. The language in this section should be revised to reflect that the listing would include all lenders/holders who are eligible to participate in loan consolidation.
	8/31/99	IV-207 Aid School System – The flow charts do not seem to reflect the input streams/interfaces described in the System Interface section immediately following the chart. "Lenders/servicers" and "Collection Agencies" should be active entities on the left side of the diagram. In addition, for flow AS 136, the diagram should reflect a flow moving back and forth to the guarantors' systems.
	8/31/99	IV-212 Aid Origination and Disbursement System – The phrase "for FDLP loans" should be added to the heading to clarify that the processes do not apply to FFELP loans.
	8/31/99	IV-262 Figure IV.F-4. IT Target Architecture for School and Institution Services – Generally, the Blueprint uses "institution" to refer to "financial institutions" and appears to mean lenders/holders and guarantors. As such, the use of "institution" in the title of this figure is confusing. In addition, the meaning and implication of the box labeled "Lines Up GA" is unclear.
	8/31/99	IV-200 System Interfaces chart, Item 2412 – The chart implies that ED will handle deferment and forbearance requests for all federal programs. The phrase "for loans held by ED" should be added to the description to ensure it is clear that this interface does not apply to FFELP.

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Community	8/31/99	V-15 Description of Phase I Tasks Item #17 – If the plan is to create a "single face" for customers, all consolidating lenders (whether FFEL or Direct Loan servicers) should have the ability to request payoff balances electronically. As described, the process simplifies the administration of the FDLP but not the FFELP. The Blueprint should include FFELP consolidations in this discussion.
	8/31/99	IV-261 Figure IV.F-3. IT Target Architecture for Student Loan Server –The process flow shows information flowing to the United States Postal Service. However, the data would have to go to/from the Postal Service for ED to solicit and receive information for skip-tracing purposes.
	8/31/99	V-25 Loan Consolidation Web Application Enhancements – If the plan is to create a "single face" for customers, all consolidating holders and servicers (whether FFELP or FDLP) should have the ability to request payoff balances electronically. As described, the process simplifies the administration of the FDLP but not the FFELP. The Blueprint should include FFELP consolidations in this discussion.
	8/31/99	V-20 Current Student Services and Target Student Services diagrams – We are concerned that there is no specific mention of guarantors or lenders. The diagram implies that the OSFA will be performing all of the editing for all origination and disbursement records. We believe that for FFELP, this responsibility should continue to reside with the lenders and guarantors. OFSA will not have the data necessary to edit these records for FFELP loans.
	8/31/99	V-20 Current Student Services and Target Student Services diagrams – We are concerned that there is no specific mention of guarantors or lenders. The diagram implies that the OSFA will be performing all of the editing for all origination and disbursement records. We believe that for FFELP, this responsibility should continue to reside with the lenders and guarantors. OFSA will not have the data necessary to edit these records for FFELP loans.
	8/31/99	V-20 Current Student Services and Target Student Services diagrams – ED should add a double arrow from the school to the guarantor because many schools have a single point of contact with their guarantor for all of their loan and state grant processing. Some guarantors provide FFELP disbursement and/or escrow services for their schools. In addition, the diagram should include a double arrow from the school to the lender. Guarantors report changes to loans received from schools to the lenders and lenders respond back to the guarantors. Likewise, an arrow should be added from the guarantors to/from NSLDS. NSLC should be added to the chart, which connects to schools, lenders, servicers, guarantors and NSLDS, and servicers/holders should be inserted in the lender box. The second chart, showing billing and loan payments moving to/from borrowers and guarantors is correct if the loan is in default. There should be a flow for non-defaulted loans to/from the borrower and the lender.

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8/31/99 V-6 Data Integration – As indicated in our previous comments on the Blueprint, ED should not attempt to create yet another national database. Rather, the data should be distributed and must be kept up-to-date.

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	8/31/99	V-15 Access America – The concept of a virtual database should be supported in Phase I of Access America.
	8/31/99	V-14 Description of Phase I Tasks Item #15 – ED and FFELP business partners should work on standards for providing loan recipients the ability to receive bills or make payments over the internet. Any regulatory changes to provide this service should be provided to FFELP as well.
	8/31/99	V-14 Description of Phase I Tasks Item #14 – If the plan is to create a "single face" for customers, then borrowers should be able to have repayment counseling over the internet, regardless of whether the borrowers have FDLP or FFELP loans, or a combination thereof. The processing differences (including systems) should be behind the scenes. We recommend adding FFELP to this scenario.
	8/31/99	V-14 Description of Phase I Tasks Item #9 – We recommend that the Department clarify that all of ED's partners should have the ability to access and use digital IDs.
	8/31/99	V-9 Loan Repayment – The programs affected by this should be defined within this matrix; our assumption is that this section is only applicable for the FDLP as written.
	8/31/99	V-6 – Overall Sequencing plan  1. Interfaces – The Department should clearly define "user community" and ensure it is used consistently within the documentation.  2. Data Integration - ED should define "integrated database." This paragraph is inconsistent with the "virtual system" concept as presented by ED, appearing again that ED is building another national database. If ED is referring to its own internal systems and integrating them to eliminate redundant data, then this should be clearly stated and business partners should be removed from this paragraph. If ED is truly building a virtual system, then business partners should be mentioned in #1 (Interfaces) and not #2 (Data Integration).  3. Applications – Our previous comment on this section was not addressed. The Department should outline what processes are being considered for consolidation.  4. Changes and integration to the financial management systems may have dramatic impact to FFELP partners. The documentation should reference that changes will be communicated and coordinated with partners to ensure minimal disruption.  V-7 Overall Sequencing Plan – The last sentence of this section states that ED will incorporate feedback and comments into the final version of the Modernization Blueprint. We request that these changes be clearly indicated in the final version such that readers can easily identify the changes that have been made. Also, ED should provide its partners with information regarding when the final version of the Blueprint will be completed.
	8/31/99	V-18 Level II Architecture – Both the NSLDS and the NSLC should be considered partner databases and should be included in the flow chart.

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,	8/31/99	V-9 Aid Application- The Blueprint is not clear as to who is in control of this process. We believe the school should drive this process.
	8/31/99	V-10 Financial Institution Services – The items outlined in this section could have significant impact on FFELP partners; however, because no detail is provided, it is difficult for us to make recommendations. Please provide detailed information about the items listed in this section. For example, why is "common FFEL format for partners" listed? What processes need common formats? FFELP participants already use community-designed common processes as well as common processes for reporting to ED. We strongly suggest that ED not re-engineer processes that have already been developed by the community or that have been developed in concert with ED.
	8/31/99	V-10 Performance Management - Financial Management (ROW) It appears that our previous comments on this section have not been taken into consideration. If the plan is to create a "single face" for customers, schools should be able to request a similar just-in-time disbursement for FFELP loans. The processing differences, including systems, could be behind the scenes. As such, we recommend that FFELP be added.
	8/31/99	V-14 Description of Phase I Tasks Item #1 – The example provided, suggesting consolidation for students with multiple lenders, may not be the best course of action for all borrowers. That is, consolidation may not be the best alternative. For example, the student may have multiple lenders only because a subsequent loan has not yet been sold. The example should be eliminated. Any recommended action should be jointly developed by ED and its trading partners to eliminate mistakes or misinformation from being provided to students. Also, how does this relate to a single student account?
	8/31/99	V-14 Description of Phase I Tasks Item #8 – An organization has already been established to track total enrollment at a school, the National Student Loan Clearinghouse (NSLC). The NSLC currently maintains an all-enrolled database that contains data on 73.5 percent of the nation's enrolled students. ED's participation with the NSLC could benefit the FDLP's returning and transfer students. We do not believe that another system should be created; all guarantors and large lenders and servicers already participate in the electronic exchange of enrollment data with the NSLC. Further, NCHELP endorses the "double direct model" as discussed and agreed upon between NCHELP and SLSA and as presented to NSLDS/ED. We prefer maximum flexibility for schools to use the NSLC or NSLDS rather than forcing schools to use only one process.
	8/31/99	V-14 Description of Phase I Tasks Item #4 – ED should link to existing loan counseling resources (such as Mapping Your Future) rather than creating, at additional expense, a redundant process.
	8/31/99	V-14 Description of Phase I Tasks Item #7 – We are uncertain from the Blueprint as to

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data and that schools should not be removed from the process.

how this information would be collected. We reiterate that the data should be distributed

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	8/31/99	V-14 Description of Phase I Tasks Item #2 – ED should clearly state that the personal assistant is for federal electronic processes. FFELP participants also have electronic processes to which ED should link to access the subject matter expert's web site.
Technology Company		
	7/30/99	The Modernization Blueprint document provides a truly agile framework for planning, development and delivery of new business processes to support the mission and vision of the Office of Student Financial Aid (OSFA). A new paradigm will surely emerge, since the Blueprint is the catalyst that not only encourages but supports significant change. Rather than mandating technology and implementation details that may hinder or preclude the use of emerging technologies to foster and shape re-engineered business processes, the Blueprint allows for an open architecture to attain OFSA's vision to emerge as a world class customer
	7/30/99	The problem of data accessibility, integration and quality needs to be addressed head on by moving the data into a modern repository and then use the power of the new technology to analyze the data, correct problems, write new systems. The intermediate architecture should include several components:  A metadata repository to document and manage all information in all databases and files.  A staging database, used to extract legacy files into a relational environment or gateways or other middle ware to access the existing databases. A datawarehouse to enable an analytic and reporting capability immediately  The beginning of a new, integrated on-line transaction database.  All databases should be built on a unified hardware and RDBMS platform.  The content of the databases in the interim architecture will be constantly evolving as new systems are put through the modernization process. In particular, the staging databases as well as the legacy data stores should be kept for as short a time as possible and the migration of business processes from old to new should be performed with due diligence. The motto of "fixing a little" should be used to complete migrations when problems arise rather than prolong the existence of the old systems.  The Dynamic System Development Method is a vendor independent Rapid Application development method developed by an international consortium of leading companies. The adoption of this standard methodology could save months of development and implementation time. Since this is an international standard, we recommend that the DSDM methodology be included in the Blueprint to provide an overall framework for development; each team will still have flexibility to use its own method within the framework of this standard
	7/30/99	We agree that "middleware" will facilitate the physical connections between the disparate legacy systems during the transition to new systems. We recommend however, that the Blueprint also include a task to integrate the data in these disparate data bases to ensure that the objectives outlined in the paragraph entitled "Efficiency and reduction of duplicated data and systems on page 9 of the Executive Summary are attained. This two pronged approach (implementation of middleware coupled with a data integration initiative) will enable the modernization effort to proceed without delay while a parallel effort is underway to tombstone the
Government		

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	4/26/99	We applaud the use of Information Technology as a dynamic tool to reinvent the way that SFA interacts with three of its four key customer groups: students, schools, and financial institutions. However, customer service starts at home. We are dissapointed that the proposed Modernization Blueprint overlooks IT as a tool to improve services to perhaps SFA's most critical customer group: its own employees. This is not only a missed opportunity for SFA to team human resources (HR) with IT to help prepare the organization for the 21st century. It is a fundamental flaw that could jeapordize the success of the PBO We request that the Modernization Blueprint explicity address the ways IT-based opportunities can improve and transform customer service in the SFA workplace, particularly regarding: 1) Manager and employee empowerment and self-service (e.g. automated leave administrationsystem, automated career development program, automated time and attendance reporting, online awards program, online employee orientation) 2) Creating an internal information infrastructure for communication, information dissemination and organizational change (e.g. a corporate intranet) 3) Remote work (e.g. telecommuting and flexiplace) 4) Emerging work structures (e.g. teams) 5) Decision support teams 6) Workforce development and training
	6/1/99	This is a bold and exciting plan. I'm concerned, however, that our plan for oversight of schools appears weak. We may be unintentionally encouraging "fly-by-night" operators to return to the programs and bilk the taxpayers of millions before we can stop them. This has happened in the past when we had a fraction of the dollars to oversee that we have now. We need to have a clear and unambiguous posture with regard to oversight. Schools and students need all the technical assistance we can provide, but we also have a responsibility to provide oversight for precious taxpayer dollars. That includes routine on-site monitoring. It is poor public polict to act as if any organization receiving federal funds is "too good" for monitoring. I wouldn't want to use a bank, a stock broker or a hospital that was "too good" for monitoring. I don't think we should go
	6/1/99	I think the Blueprint agenda for students, and the Consolidated Student Account feature mentioned in the School section are great! However, I have misgivings about the Self Service and Performance Review discussion. It mentions that schools that meet certain performance indicators will not be subject to OSFA audits. It is bad policy to exempt any school from oversight - what if the school meets targets, but information is received through complaints or other agencies that show significant problems at a school. What would happen then? Also, having done compliance work for the Department for many years, I have a certain bias. But I feel that it is simplistic to call the review process burdensome. Unless schools have continuing, significant problems, they will only rarely have program reviews - and those reviews generally last only a week. Once again, if there are few problems, the follow-up to the review should not be too involved. Given the amount of money that schools receive, I feel that there is a lack of perspective to say a one-week visit
	6/18/99	Would like to see "phase" out of paper interface shown in 2002-2003 time frame.
	6/18/99	Award Year is the preferred term. In place of School Year or Academic Year
	6/18/99	Add Table of contents for Level II in Chapters III and IV
	6/28/99	CS-04.06: While this step is not misplaced, a similar step should exist in both subprocesses CS-02 and CS-03. Subprocess CS-01, in establishing metrics, would provide the gross parameters for expectations. When/if these parameters are exceeded or not closely reached, ALERTS should be generated concurrently to the "action planners" and "decision makers."
	6/28/99	CS-05.02: This is not a decision making task. It more appropriately belongs under subprocess CS-04: Action Planning and/or subprocess CS-06: Customer/Partner Satisfaction Feedback and Reporting.

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## CommunityID **DateReceived** Comment 6/28/99 CS-02: The word "surveys" repeats itself. 6/28/99 As I recall, we agreed to pair the term "customer" with the term "partner" wherever logical (most of the time). The absense of the term "partner" is most conspicuous in the titles of the second, third and sixth functions (CS-02, CS-03, CS-06). The titles should be "customer/partner data gathering," "customer/partner information analysis," and "customer/partner satisfaction performance feedback and reporting" respectively. 6/28/99 CS-01.03: The word "ensures" should be replaced with either "mandates," "prescribes," or "requires." The act of ensuring occurs during the data gathering stage, not here. 6/28/99 CS-01.05: The word "ensures" should be replaced with either "mandates," "prescribes," or "requires." The act of ensuring occurs during the data gathering stage, not here. 6/28/99 This is not a feedback or reporting task. The action planners prepare the recommendations for the decision 6/28/99 CS-01.11 Making recommendations occurs in the "Action Planning" function. This step should be placed under that function. 6/28/99 CS-02.01 Remove extra space between "gather" and "s." 6/28/99 CS-02.05: Replace the word "they're" with the propoer term "their." 6/28/99 CS-01.10: Rephrase as follows to add the sixth function and to place in order of occurrence - "Objective Setting and Planning details a coordinated approach for gathering, analysis, action planning, decision-making, and feedback reporting." 8/5/99 OSFAP offers a picture of the future based on the notion of "building systems in little pieces" to avoid the problems associated with "big computer systems that don't work." However, it is also noted that the problems of today's systems are characterized as a "costly and cumbersome set of stovepipe systems . . . Implemented over many years." We find the two concepts remarkably similar in premise -- they both describe a situation where complex business requirments are addressed by specific technical solutions as a subset of the total body of requirements and solutions. We consider it critical for management to recognize that there may be no real difference between the stovepipe systems of the past and the new version of incrementalism reflected in. "buy a little, test a little, fix a little--" at least in terms of how critical systems controls are 8/5/99 Current and forecast business problems for OSFAP may not be adequately defined and challenged within the Blueprint itself. If the business problem definitions remain unchallenged, this could lead to the potential for increased cost and complexity due to scope and technology changes in later phases of the project to resolve unanticipated issues. 8/5/99 Complexity in and of itself is not a negative quality in the systems arena. The process maps in section IV closely resemble in complexity the map of the current systems, which is logical to the extent that no real effort has been made to simplify the underlying business processes themselves, which might actually result in a 8/5/99 There may be significant impediments to OSFA achieving its goals if it assumes that it can begin to operate like a private industry simply because it has been reconstituted under the PBO legislation. We believe that

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management should be presented with a realistic picture of the limitations inherent in applying a commercial-sector business practice model to a public-sector agency delivering a public-benefit mission. There are numerous differences between the two environments that could spell management, cost, and

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	8/5/99	We remain concerned Based on the inforamtion that has been made available for our review, that the critical planning steps are being hastened or delayed in the interest of achieving a rapid development.
	8/5/99	There does not appear to have been a cost-benefit assessment applied to the Modernization Blueprint overall. There has not been a clear picture of the costs to achieve modernization goals presented against the alternative of more modest, incremental changes to improve business processes at OSFAP. We believe that until or unless there is a structured review of exactly what business problems OSFAP is trying to fix, fairly presented along with a statement of cost for various alternatives, there will be little basis for measuring the value returned by the effort. As a result, there is a risk that specific functional objectives might have been achieved at lesser cost, sooner, and with less technical and management risk than under the overall
	8/5/99	Part of the Blueprint's optimistic tone derives from confidence that much of the integration needed to support OSFAP objectives is readily avaiable via three emerging technology areas: the Internet, Middleware, and security and privacy tools. The presentation (assumes) that these technologies are "proven." In our view this assumption is dangerous. The success of individual companies or agencies making use of these technologies should in no way be interpreted as meaning that there is a single, proven way that they did it so.
	8/5/99	The presentation of the business objectives for the systems envisioned by the blueprint appears to imply an assumption that the need for modernization is self-evident and that the current systems must be modernized in order for OSFAP to achieve its mission and the goals of its strategic plan. We believe that modernization for its own sake is actually a high-risk proposition that should be demonstrated rather than assumed. We believe that the case for across-the-board technology acquisition as presented in the Modernization Blueprint is not a strong one. Clearly there may be a benefit to modernization, but it seems prudent to identify the scope and focus of the reasons why. In fact, several of the department's SFA systems are newly acquired systems that were built using state-of-the-art/"modern" technology. The issue may not be one of
	8/5/99	Our work at ED indicates that there may be different agencdas, not only withing ED and OSFAP, but also across the range of interests served by other constituents to challenge this assumption of common purpose. There may be a significant risk to the timeline and critical path for the Modernization Blueprint if the objectives of the various interested constituencies diverge. We believe that this risk has increased with the expansion in scope of the Blueprint, not only from EASI/ED, but even from the original EASI vision, whose scope was considered too broad to be implementable by ED.
	8/5/99	Reasonable alternatives may not have been sufficiently considered during the initial phases of the Blueprint, leading to the potential that particular technical solutions may not be the most cost-effective to implement.
	8/5/99	External factors may have a disproportionate impact on the ability of OSFAP to realize the goals of the
	8/5/99	Particular technology choices may not scale properly to meet the needs of OSFAP. Technologies that may work in a small, localized environment may fail or perform inadequately as the volume of transactions or number of interconnected data sources increases. This may ultimately lead to delays in implementing components of the Blueprint.
	8/5/99	If the common operating environment is not achieved promptly (not only for OSFAP, but at whatever level is needed to promote common access to outside entities and their systems), it may not be practical to apply an incremental change mode of development that works significantly better than today's collection of stovepipe

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CommunityID	DateReceived 8/5/99	Comment We noted several weaknesses that may continue to present themselves under the new "Blueprint Modernization Initiative" if steps are not taken to address them. 1) No accountability ascribed for the failur to meet specific deadlines 2) Clear deviation from the contol objectives underlying common SDLC methodology, including lack of decision support through justified budget requests, cost and technical feasibility determination 3) fair cost-benefit evaluation of alternatives and substantive risk analysis 4) Poor maintenance of key project management documentation; no accountability for the decisions leading to the expansion envisioned by the Modernization Blueprint. We recommend that OSFAP ensure the following analyses are completed and documented before proceeding any further 1)Feasibility determination: do we think this can be done and why? 2) Needs definition: what are we planning to do and do we really need to do it? 3) Risk analysis: what factors may prevent us from doing this? how are we going to address these? 4) Cost-benefit analysis of true alternatives: are we doing this the best and most cost-effective way?
	8/5/99	There is not enough information avaiable to identify whether there are any "go/no go" checkpoints in the process that would allow OSFA to pull the plug should a critical component of the overall plan not be met (or not be able to be met) on time. Therefore, we see considerable project risk in expecting all technology, legislative, and organizational change components to be implemented smoothly and on time.
Other		
	6/1/99	Your lists of stakeholders (students, schools, lenders, States, Department of Education, and other Federal agencies) leave out third-party servicers and consortia. There have been some improvements in ED awareness of third-party servicers in recent years, such as the recent third-party conferences, but servicers often seem to be forgotten by ED.
	6/1/99	Please make the blueprint available in a format that works with "normal" printers. The current format and graphics are so memory-intensive that they can only be printed using high-memory, speedy corporate printers.
Congress		
		Access America - don't let it be another stovepipe. Student Account - only if other systems come down and not all Aid (State, School, Private) only Title IV
	7/29/99	Get beyond vision, real progress - RESULTS
	7/29/99	Likelihood of progress in the "out years"
	7/29/99	Check PBO legislation: Systems integration, \$407 million for system, morn, real-time complexity of relationships. Lots of programs.
	7/29/99	Haven't consolidated one system or one contract.
	7/29/99	Electronic Benefits Transfer (EBT) carl old idea. Not a good one.
	7/29/99	Anderson Consulting reminded us that they recommened PBO
	7/29/99	Will report to Congress in Oct/Nov on PBO

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7/29/99 Most important - students and schools

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